

ZIMBABWE

RECONSTRUCTION FUND (ZIMREF)

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Canada



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of Foreign Affairs



Schweizerische Eidgenossenschaft
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Swiss Agency for Development
and Cooperation SDC



State and Peacebuilding Fund



Sweden
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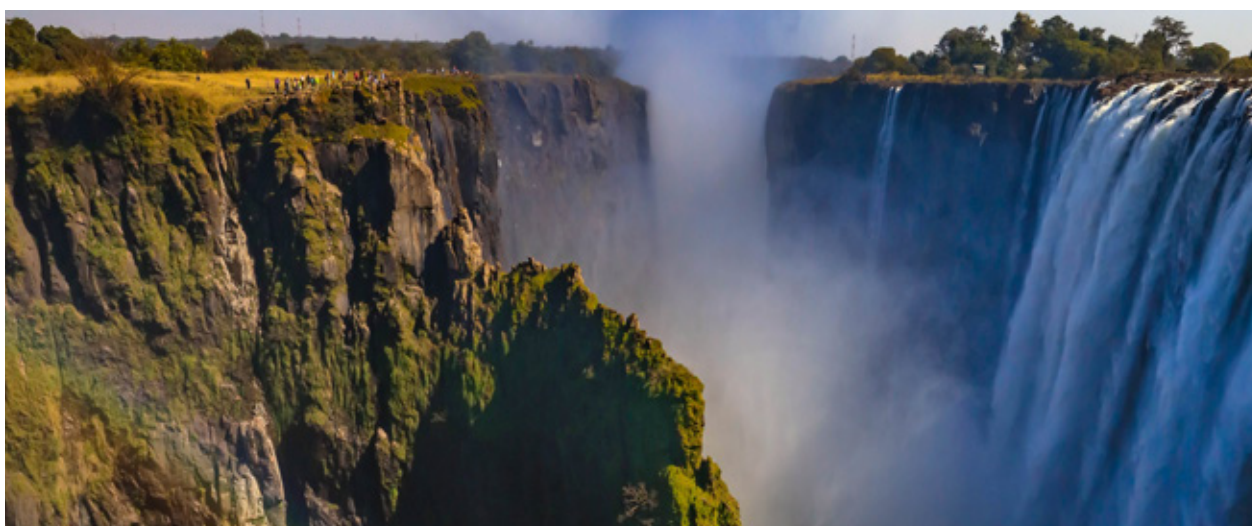
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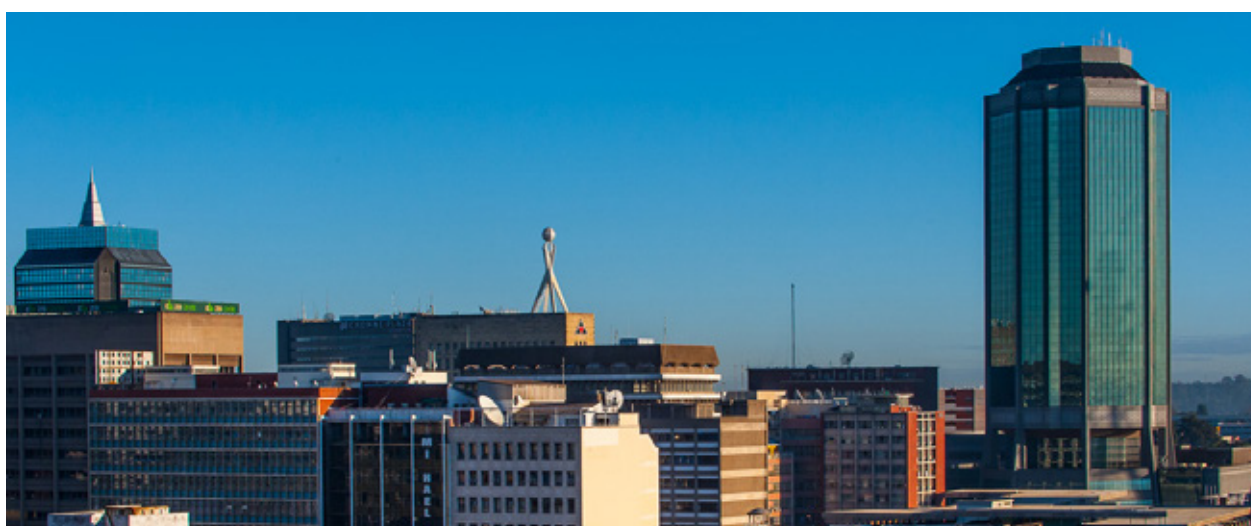
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ABBREVIATIONS

BCI	Business Confidence Index
BE	Bank-executed
BEFSIP	Business Environment, Financial Sector and Investment Policy
DCP	Department of Civil Protection
GoZ	Government of Zimbabwe
ICT	Information Communication and Technology
IFMIS	Integrated Financial Management Information System
ISN	Interim Strategy Note
M & E	Monitoring and Evaluation
MDAs	Ministries, Departments, and Agencies
MLAWCRR	Minister of Lands, Agriculture, Water, Climate and Rural Resettlement
MoFED	Ministry of Finance and Economic Development
MoHCC	Ministry of Health and Child Care
MoPSE	Ministry of Primary and Secondary Education
MoTID	Ministry of Transport and Infrastructural Development
MPSLSW	Ministry of Public Service, Labour and Social Welfare
MSME	Ministry of Small and Medium Enterprises and Cooperative Development
NHA	National Health Accounts
OAG	Office of the Auditor General
PECG	Public Enterprises Corporate Governance



PEFA	Public Expenditure Financial Accountability
PFM	Public Financial Management
PFMS	Public Financial Management System
PICES	Poverty, Income, Consumption and Expenditure Survey
PIM	Public Investment Management
POC	Policy Oversight Committee
PPP	Public-Private Partnerships
RBB	Results-Based Budgeting
RBZ	Reserve Bank of Zimbabwe
RE	Recipient-Executed
SOE	State-Owned Enterprise
SOPs	Standard Operating Procedures
SEPs	State Enterprises and Parastatals
TA	Technical Assistance
TTL	Task Team Leader
ZIMASSET	Zimbabwe Agenda for Sustainable Socio-Economic Transformation
ZIMRA	Zimbabwe Revenue Authority
ZIMREF	Zimbabwe Reconstruction Fund
ZIMSTAT	Zimbabwe Statistical Agency



SUMMARY

The Zimbabwe Reconstruction Fund (ZIMREF) is a World Bank-administered multi-donor trust fund supported by Canada, European Union, Foreign Commonwealth and Development Office (UK), Norway, Sweden, Switzerland and the World Bank's State and Peacebuilding Fund.

This report provides a detailed narration of the Zimbabwe Reconstruction Fund's (ZIMREF) 2022 operations.

Operational

With an original end disbursement date of December 31, 2022, some Trust Fund projects closed in 2022. Closed projects and TA include Program-Based Budgeting, the Zimbabwe Risk and Resilience Project, and Piloting Social Protection and Water Sanitation and Hygiene (WASH) interventions to keep adolescent girls in school in Zimbabwe. Through Technical Assistance (TA), the Fund will continue to support the Poverty Monitoring TA, Zimbabwe Climate Change and agriculture TA, Capital Budgets TA (public investment management) and a component from the Business Environment Financial Sector Policy (FinScope) survey, as well as the Multi-Purpose Water Storage System Assessment for Sustainable Productive Water Use, and the Public Financial Management Enhancement Project (systems and capacity development).

Due to a one-year extension, the Trust Fund's end disbursement date is now December 2023. This will be extended further to 2028, once the Trust fund is restructured. This extension to 2028 supports the completion of activities delayed by the COVID-19 pandemic and restructuring to adjust objectives and activities to (a) better reflect current priorities; (b) consolidate the pipeline of activities within three strategically aligned components; (c) update the results framework to reflect the new priorities; (d) update governance arrangements; and (e) extend the end disbursement date of trust funded programs for five years, from December 2023 to March 2028. At the end of December 2022 the European Union (EU) and the State Peace Building Fund withdrew from the Fund as they are redesigning their programs and support.

Several technical missions were conducted in 2022 to discuss implementation status, identify key challenges and corrective actions, validate project progress, determine ways to expedite and fast-track implementation, and provide relevant support.

Outcomes from ZIMREF's work include:



The launch of the commercial e-courts



Professionalization of accounting in the public sector¹



Production of poverty summary reports



Development of a data dissemination dashboard that is updated after every survey round

¹ Under the ZIMREF funded PFMEP the Bank played a major role advocating for professionalization of the accounting function in government, working with PAAB and MoFED. The Bank also provided the initial building blocks required by government for effective professional accounting practice and implementation of International Public Sector Accounting Standards (IPSAS). Tools provided were in the form of i) IPSAS compliant accounting procedures and reporting manuals; 2) Study tours as well as 3) IPSAS foundational training. The objective of these interventions was to provide the necessary exposure and competencies to ensure that government financial statements are compiled in a timely and accurate basis and in due course that IPSAS compliance is achieved. These foundational competencies later allowed many to embark on the training for Public Sector Professional Accountant in Zimbabwe (PSPA). The PSPA professional qualification was a joint initiative between the Institute of Chartered Accountant, the PAAB and MoFED.

In 2022, ZIMREF supported institutional capacity building via knowledge sharing through TA and just-in-time support for policy reforms.

Progress and achievements during the reporting period include:



Dissemination of the Micro, Small, and Medium Enterprises (MSME) FinScope Survey in November 2022.



Dissemination of the findings of the seventh round of telephone survey poverty assessments.



The Social Protection Project surpassed its target indicators by supporting

1,007
HOUSEHOLDS

With cash transfers compared to the target of

400

The pilot also supported

48
SCHOOLS

in the Buhera district.



Adoption by MoFED of the revised Implementation Strategy Plan (ISP) for implementation of International Public Sector Accounting Standards in the public sector.



Adoption and launch by GoZ of Risk Management Framework to guide risk management in Ministries, Departments and Agencies of government.

02

PROJECT IMPLEMENTATION STATUS

To strengthen Zimbabwe's systems for reconstruction and development with a focus on stabilization, ZIMREF is implemented through four windows. Three of the windows—private sector development, systems and capacity development, and resilience and livelihoods support—fund investments and analytical work. The fourth window supports policy analysis. The ZIMREF windows are aligned to the government of Zimbabwe's priorities, donor funding priorities, and country development needs. Progress made in 2022 under the respective windows is detailed below.

2.1 Private Sector Development Technical Assistance

Business Environment

FinScope survey. The \$350,000² survey used the FinScope³ methodology to provide evidence-based input, informing government policy related to MSME's access to finance. The survey was conducted as part of the input to the National Financial Inclusion Strategy II. The World Bank has supported the government's financial inclusion agenda since 2014. Support has come through the various Bank-led diagnostics to inform the Ministry of Finance and Economic Development's (MoFED) National Inclusion Strategy, led primarily by the Reserve Bank of Zimbabwe and other financial sector regulators. Initial diagnostics include the 2012 FinScope MSME Survey and the Consumer Protection and Financial Literacy Diagnostic, which informed the National Financial Inclusion Strategy (NFIS I) 2016–20.

Through ZIMREF, the Bank supported implementation of NFIS I through the Business Environment, Financial Sector, and Investment Policy TA programs. Upon the conclusion of NFIS I, the need for an authoritative, end-of-term evaluation of the gains made through NFIS I was identified. A second FinScope MSME survey was imperative in gauging the level of financial inclusion for MSMEs under changed circumstances given the explosive growth of digital financial services led by a rise in mobile money and the impact of the COVID-19 pandemic on financial services delivery by financial institutions. The World Bank carried out the survey on behalf of the Reserve Bank of Zimbabwe.

The resultant report was an analytical product that helped support government policy on issues affecting the MSME sector in Zimbabwe. Due to the sheer size of the MSME sector in job creation, livelihoods, and contribution to the GDP, the survey supported the design of forward-looking policies that better strengthen the sector. The survey revealed that informality dominates the MSME Sector. While the Government of Zimbabwe continues to encourage formalization, policies can also be designed to support the coexistence of the informal and formal sectors.

Agriculture-based MSMEs make up most of the sector; and while financial inclusion has improved significantly, it is driven not by commercial banks but by Fintech Companies and mobile money operators. Banks still need to weigh in with the whole breadth of products that are much needed by MSMEs. For instance, MSMEs have limited or no access to value



Agriculture-based MSMEs make up most of the sector; and while financial inclusion has improved significantly, it is driven not by commercial banks but by fintech companies and mobile money operators.

² All funds are in US dollars unless otherwise specified.

³ The FinScope Consumer Survey uniquely aims to increase understanding of the informal financial product/service market.

chains and public sector contracts. With access to banking products, MSMEs have a chance to adopt digital solutions to enhance production efficiency, access markets, receive training opportunities and tap into all benefits of the digital economy.

Settlement of commercial disputes. Work towards improving the investment climate led to the establishment and launch of e-courts in May 2022. The journey towards the establishment of commercial courts led to a number of draft bills intended to ensure expeditious resolution of commercial disputes. These were the High Court Act Amendment Bill, the Commercial Courts Bill and, the Small Claims Court Amendment Bill - all of which were consolidated to become the Judicial Laws Amendment (Ease of Settling Commercial and Other Disputes) Act enacted in 2017. In addition, the Commercial Court, together with the Office of the Master of the High Court, will attend to insolvency, where Zimbabwe has adopted global best practices in the enactment of the Insolvency Act and the Estate Administrators Act to ensure robust oversight of insolvency practitioners.

Enhancing investment promotion. For the continuity of the significant work begun under ZIMREF, the International Finance Corporation (IFC) provides Technical Assistance to the Zimbabwe Investment and Development Agency through the Zimbabwe Investment Policy and Promotion Program. This supports the institutional development of the Zimbabwe Investment Development Authority (ZIDA), with the overall objective of strengthening the institution's investor services, enhancing investment promotion and retention capacity, and supporting the generation of a pipeline of investments in identified sectors with growth potential.



2.2 Public Financial Management

As Zimbabwe has a large public sector, advancing reforms in Public Financial Management (PFM) was considered developmentally significant and critical for effective service delivery. In addition, a 2017 Public Expenditure Financial Accountability Assessment (PEFA) revealed support for national systems and building institutional resilience. Against this backdrop, ZIMREF supported the Public Financial Management Enhancement Project (PFMEP, 2016–21) and subsequent support initiatives.

The Public Financial Management Enhancement Project (P152932), which closed in 2021, supported a major expansion of automation in the Public Finance Management System (PFMS).



The journey towards the establishment of commercial courts led to a number of draft bills intended to ensure expeditious resolution of commercial disputes.

That support included:



Establishing a secure payment gateway by interfacing the PFMS and the T24 system of the Reserve Bank of Zimbabwe (RBZ). This interface brings transparency and improved controls to the payment processes across ministries, departments, and agencies (MDAs), and the treasury.



The PFMS was successfully rolled out to district kiosks as guided by the government's Devolution and Decentralization Policy. More than 50 percent of the kiosks are already in use. Change management, training, and capacity building at the districts started in 2018.



Implementation of new modules on the PFMS—Business Intelligence and the Business Planning Consolidation—to improve financial reporting and budget preparation functions.



Automating a number of extrabudgetary funds and donor-funded grants. This brought visibility to areas previously outside MoFED's sphere.

The TA has also invested heavily in strengthening the capacity of International Public Sector Accounting Standards (IPSAS) implementation teams, as well as the function of the Parliament Budgets Office and the Public Accounts Committee (PAC). This included support in developing the Citizen's Budget for 2020 and 2021. Further, the project harnessed the collective strengths of the oversight and accountability institutions to create a more accountable environment in public finance.

Strengthening Parliament's role in PFM and its collaboration with other PFM institutions, especially the Auditor General, raised the bar in scrutinizing public resource use. The PAC exposed corruption and demanded action from relevant authorities, which led to some public officials being relieved of their duties. An effective compliance culture was then created where PAC recommendations were implemented at a high level.

The Project supported the creation of the government's internal audit function and the evolution of the Audit Office to a Supreme Audit institution. As a result, the frequency and quality of audits improved significantly. In addition, an array of performance audit reports to Parliament deepened its oversight. Enhanced capacity allowed internal and external auditors to jointly conduct just-in-time audits of COVID-19 emergency funds and submit a report to Parliament.

Finally, the project connected citizens to the PFM dialogue in a closed environment. A gender-responsive citizen's budget was prepared, and budget processes were made open to the public. There was also a strong collaboration with the media, civil society, and other central and local stakeholders, which paved the way for the citizens' agency to advocate for their needs. This resulted in Zimbabwe being ranked as the third most budget-transparent country in the region.

Systems and Capacity Development

While the PFMEP closed in 2021, systems and capacity development continued in 2022 to sustain the project's gains. The TA aims to contribute to systems and capacity development through:

- Capacity enhancement of MoFED and selected Ministries Departments Agencies (MDAs) to operationalize the agreed PFMS expansion and financial reporting reforms. This will improve financial reporting at MoFED and MDAs, as this has been a subject of a number of Office of the Auditor General (OAG) reports.
- Regular monitoring of the corporate governance compliance by State Owned Enterprises (SOEs) is key for effective management of government fiscal risks. ZIMREF supported the Corporate Governance Unit under the Office of the President and Cabinet through the compilation of the 2020 and 2021 Corporate Governance Compliance Assessment Report. This enhanced transparency and accountability for SOEs as the 2020 report was subsequently made public for interrogation by citizens.
- Work with the National Pharmaceutical Company (NatPharm) to improve risk management in the procurement, storage, and internal controls over drug and medicine management.
- Enhancement of government oversight and accountability functions to monitor emergency funds for COVID-19. A manual for COVID-19 treasury resources management was developed with Bank support. Auditors were capacitated in the review of pandemic resources management structures and processes. Subsequent to this, the Office of the Auditor General (OAG) was able to submit a report to Parliament about COVID-19 funds, which was publishing by the press.
- Work with MoFED and stakeholders to gradually operationalize the new Public Investment Management System and while making adjustments to ensure pandemic sensitivity.
- Work with the government to develop functional requirements for an effective digital enterprise architecture, which will ultimately ensure the interoperability of government digital systems that are currently fragmented and do not support effective service delivery.
- Verification of the Government Civil Service Biometric Registration Exercise was also supported. The results will inform wage bill policy and payroll controls.



Challenges

The PFMEP TA has encountered various challenges, including the implementation delays, budget limitations, weak institutional collaboration, and limited technical capacity. The challenges faced related to the following:



The last two years of the PFMEP project were during the pandemic (2020 and 2021). This was a critical time for training, handholding, and handover of key deliverables. Most government officers were home based. This delayed the signoffs for some project deliverables. The project later funded Virtual Private Network (VPN) connections which officers could use to link to key project deliberations to facilitate closure of key activities.



In 2021 towards project completion some in-person training could not be conducted as some project funds had to be used to fund emergency COVID-19 PFM responses. Government later allocated some of its resources to continue and complete the training.



Some systems e.g. (DMFAS/PFMS) could not be completed due to limited technical capacity both at the MoFED and at the MICT. This resulted in non-completion of this activity. Government indicated that they may use own funds to complete this activity.

Achievements

During the reporting period, the TA recorded some achievements in training and capacity building related to the:



RBZ Interface



Business Intelligence Module



SOE compliance assessment tool



IPSAS Risk Management Report



Revised IPSAS Road Map



SOE financial statements analysis tool



COVID-19 Audit Analysis Report



NatPharm Risk Assessment

Professionalization of Accounting in the Public Sector

ZIMREF supported MoFED in implementing the PFMEP, through which professional training of accountants and auditors at various levels of government was funded. The first Public Sector Professional Accountant in Zimbabwe (PSPAZ) graduation was held in 2022, marking the dawn of a new era in accountability and transparency agenda for Zimbabwe's public sector. Program graduates include key personnel from the organs of accountability such as the Office of the Auditor General, the Accountant General's Department, the Public Service Commission, and other key ministries, departments and agencies.

2.3 Capital Budgets Public Investment Management (PIM) Component

Enhanced Public Investment Management (PIM) practices were introduced, with Bank support, to improve project appraisal, selection and implementation. The budget circular for the FY 2020 budget set the stage for formally embedding PIM guidelines and sector appraisal procedures (including project appraisal manuals for energy, transport, water, and irrigation) that were prepared with support from the Bank. This component provided support for applying and implementing the appraisal methodology on selected projects. The Bank's team reviewed twenty projects and confirmed compliance with the PIM guidelines and appraisal manuals in 2021–22. In addition, a series of

PIM capacity building workshops and dissemination events were conducted. The COVID-19 crisis demanded flexible PIM procedures to rapidly facilitate development of the urgent infrastructure required to respond.

Bank interventions have also been directed towards enhancing the government's agility during crisis response. As a result of the ongoing interventions and positive relationships with the MoFED, the Bank was in a solid position to adapt and increase support to assist the government with its COVID-19 response. As a result of Bank support, the government was able to:

- Streamline procedures for public investment appraisal in emergencies (e.g., pandemics) to ensure timely action without unacceptable risks to value for money. These procedures are included in revised PIM guidelines (chapter 9) that were published by the MoFED in 2021.
- Develop emergency treasury procedures to reduce delays without compromising accountability.
- Establish emergency internal audit procedures, a COVID-19 audit risk framework, and conduct just-in-time audits focusing on systems and processes used by the government in managing COVID-19 donations and the resource management chain to enhance accountability.
- Capacitate the PAC to scrutinize audit reports on emergency activities/funds.



All TA activities during the reporting period were delivered successfully, according to or exceeding the plan. The team made additional deliveries as direct response to requests by the MoFED to deal with capital budgeting during crisis (Covid-19 pandemic, climate change induced catastrophes etc). Specifically, the Emergency PIM Guidelines and the Capital Budget Reprioritization Tool were developed.

With the additional funding by Climate Action Enhancement Package (CAEP), the team extended its support to harmonizing the climate change agenda in the strengthened PIM.

Support Applying and Implementing the PIM Guidelines and Sector Project Appraisal Manuals.

According to the Treasury Circular No. 3 of 2021 evoked by the MoFED, the team supported the application of the PIM Guidelines and Sector Project Appraisal Manuals in the budget processes, for the implementation and operationalization of public investments and the National Development Strategy (NDS1) laying the foundation for efficiently, effectively, and sustainably managing public infrastructure resources. The team provided support reviewing and advising more than twenty projects for confirming compliance with the PIM Guidelines and appraisal manuals.

Climate Smart PIM

The Public Investment TA (PIM) held a webinar in September 2022 with broad stakeholder participation. The event focused on Zimbabwe's climate-smart public investment management: specifically, the development of guidelines and implementation of PIM reforms to lay the solid institutional grounds for capital budgeting adapted to climate challenges. The webinar discussed guidelines for incorporating climate change considerations into the project cycle, including lessons from pilot implementation experiences in the transport and environmental sectors. The project attained its intended objectives, which were to:

- 1 Better assess the economic viability of climate-proofing government projects that are subject to an unacceptable climate risk threshold; and
- 2 Enhance efficiency and effectiveness in capital expenditures and budgets of Zimbabwe Government by mainstreaming the climate change agenda into capital budgeting.

During FY22, the team conducted additional TA activities beyond the scope of the ZIMREF-funded Capital Budget TA project, with complementary support under the CAEP Program, focused on mainstreaming climate change into PIM processes in Zimbabwe through:



Government wide consultations, which were reflected in the development of the first Climate Public Expenditure and Institutional Review Report.



On-the-job assistance to MoFED and line ministries in developing a pipeline of climate-resilient projects, facilitating National Development Strategy 1 (NDS1) implementation.

Technical Assistance was provided to assist the government in integrating climate change agenda into PIM framework, which facilitated:



Developed and approved climate-informed Project Appraisal Manuals (PAMs) in energy, transport, water, and irrigation.



A Climate Change Public Expenditure and Institutional Review (CCPEIR; conducted and completed).



Support for adoption of the modern PIM framework: ZIMREF supported the drafting of a policy note for PIM-PPP (Public-Private Partnerships) harmonization and integration under the new ZIDA Act.

With these tools developed and delivered, the TA effectively supported the MoFED and Ministry of Environment (MOE) to:



Screen projects for climate change-related risk.



Determine the need to climate-proof a project given its exposure and vulnerability to climate change.



Assess the economic viability of climate-proofing projects subject to an unacceptable climate risk threshold.



Challenges and Lessons Learned

To ensure success and achieve desired efficiency outcomes, the TA needs to be designed and executed based on the government's interest and demonstrated commitments. The MoFED centrally drives PIM reform, and its success requires effective and wide stakeholder participation and cross-agency coordination. Coordinating all stakeholders (including those from different government ministries and agencies) and providing opportunities for discussion and development of action plans was critical to achieving a harmonized and coordinated approach for both the climate agenda and capital budget/PIM agenda.

Strong PIM underpins successful implementation of the climate change agenda. Throughout the course of PIM and climate change engagement, we learned and shared with all stakeholders that capital budgets and PIM are vital tools for government to effectively mainstream the climate change agenda into real investment projects. Well-functioning PIM is, therefore, key to mainstreaming the climate change agenda into real public investment of the Government of Zimbabwe.

The MoFED has asked for TA to continue in supporting the government to extend the scope of PIM reforms and in operationalizing the harmonization of the climate change agenda under the revised National Determined Contributions (NDCs) in the strengthened PIM. Three major components are envisioned and fully agreed upon with the MoFED, provided that ZIMREF funding is available.

COMPONENT 1:

Support Climate Change Mainstreaming in PIM and Mobilize Climate Private Financing for the revised NDCs

Activities: (a) Revise the PIM guidelines to strengthen the mainstreaming of climate requirements, (b) Review and assess barriers to financing of climate-smart infrastructure projects; and (c) Develop a climate-smart infrastructure bank of projects to induce private sector participation.

COMPONENT 2:

Strengthen Linkages and Improve Coordination between the Public Investment Program and PPP Unit

Activities: (a) Assist the Public Sector Investment Program and Joint Venture Unit to develop and adopt unified technical and institutional framework to streamline climate change into projects identification and development, and (b) develop a mechanism for collaboration between the MoFED, MoE, and line ministries to guide development and implementation of climate resilient infrastructure projects.

COMPONENT 3:

Capacity Building to Support Operationalization of the New Project Appraisal Manuals

Activities: Training technical officers and training the trainers at the MoFED and the targeted line ministries with an emphasis on those in the infrastructure sector (transport, energy, agriculture, irrigation) on the new PIM Guidelines, sector-specific project appraisal manuals, PIM-PPP harmonization and project management.



Well-functioning PIM is key to mainstreaming the climate change agenda into real public investment of the government of Zimbabwe.

2.4 Poverty Monitoring TA

The TA builds the statistical capacity of Zimbabwe Statistical Organization (ZIMSTAT) to produce, use, analyze, and disseminate data and promote the use of data for evidence-based policymaking and monitoring of development processes in Zimbabwe.

Two missions were conducted in 2022, in May and October. The objectives of the May mission were to consult the Government of Zimbabwe on the main findings and key messages emerging from the poverty assessment, including policy priorities, and to meet with the Zimbabwe National Statistics Agency (ZIMSTAT) to advance the dialogue on core areas of engagement. The objectives of the October mission were to launch the Zimbabwe Poverty Assessment to the national audience and hold technical workshops with ZIMSTAT to advance the preparation of the household income/expenditure survey. In addition, the team met with development partners, think tanks, national researchers, and other stakeholders during both visits to deepen the dialogue on poverty and equity-related issues in Zimbabwe.

During the May mission, consultations were held with the MoFED and the Ministry of Lands, Agriculture, Water and Rural Resettlement (MoLAWRR) on the main findings and key messages from the draft Zimbabwe Poverty Assessment. The Zimbabwe Poverty Assessment Report was finalized and launched on October 24, 2022. Opening remarks were provided by Mr. Andrew Bvumbe, representing the Honorable Minister of Finance and Economic Development, Professor Mthuli Ncube. Senior

government officials, academics, and development partners attended the event. The collaboration between the World Bank and ZIMSTAT was further deepened via joint production of the chapter on core poverty diagnostics.

A policy matrix in two areas—agriculture and social protection—was prepared based on the findings of the Poverty Assessment and ongoing sectoral policy discussions (Annex II). The recommendations could be considered during the 2023 budget discussions, midterm evaluation of the NDS I, and preparation of NDS2.

Continuous Welfare Monitoring

Following the onset of the COVID-19 pandemic, a high-frequency household phone survey (Rapid-PICES) was instituted with the technical and financial assistance of the World Bank and UNICEF to monitor the impact of the pandemic on socio-economic outcomes. ZIMSTAT successfully implemented all nine rounds of the planned survey. After each round of surveys, a short report was produced, and the key findings disseminated to the national audience through virtual seminars. ZIMSTAT takes the lead in analyzing the data and producing the summary briefs, with light technical assistance from the World Bank.

With the successful implementation of Rapid PICES,⁴ ZIMSTAT has demonstrated its capacity to conduct rapid welfare monitoring. These gains could be cemented by instituting a continuous household welfare monitoring system, akin to the recently reinstated Quarterly Labor Force Survey,



The objectives of the May mission were to consult the Government of Zimbabwe on the main findings and key messages emerging from the poverty assessment.

⁴ PICES stands for Poverty, Income, Consumption, and Expenditure Survey.

to measure progress toward national goals or the impact of shocks or government reforms.

Going beyond its traditionally defined role as a data producer, ZIMSTAT took the lead in producing summary reports and developing a data dissemination dashboard. This makes the data accessible to potential users, enhancing its value. ZIMSTAT also partnered with ministries and agencies to selectively include modules that agencies need to inform policy decisions, improving the relevance of the data. This has strengthened the national capacity for poverty monitoring, data production, and analysis. There are opportunities to consolidate these gains in promoting a culture of evidence-based decision making.

ZIMSTAT has requested World Bank technical and financial assistance for the design and implementation of the next comprehensive household income/expenditure survey. The last survey with district-level poverty estimates was completed in 2017. The new survey is scheduled for 2023, although the timing and other details are yet to be finalized. Preliminary areas of support were identified in consultation with the technical team. They include:

Harmonization of the survey questionnaire with international and regional standards.

ZIMSTAT has traditionally collected consumption data using a 30-day diary method, but recent studies have shown that long diary periods are associated with deterioration in data quality, while short recall periods provide estimates comparable to long diary methods. After considering global evidence, analysis of 2017 diary data, and hearing the experiences of the Tanzania National Statistics Office, ZIMSTAT switched to a 7-day recall method for consumption data collection in the next survey. The income and production data used for national accounts must also be collected in PICES using the same method.

The questionnaire will be revised to reflect these changes. Survey sampling and fieldwork will be organized to collect month-long data from a representative sample in order to capture temporal variation in consumption, income, production, and prices. Additionally, consumption data from a small subset of households will be collected using the 30-day diary method to establish a bridge between PICES 2017 and the new series.

Modernization of the data collection system

Traditionally, ZIMSTAT has collected data on household consumption using the paper and pencil interview method (PAPI). Modern methods of data collection, such as computer assisted personal interviews (CAPI), have become widespread. Thanks to the reduced cost of tablets and availability of data networks.

To modernize the data collection system, ZIMSTAT will collect household consumption data using CAPI. Specifically, the agency has decided to use Survey Solutions, the CAPI system developed by the World Bank Living Standards Measurement Study (LSMS) group, for complex household surveys.

Following a hybrid strategy, World Bank will provide remote support and training to ZIMSTAT staff to develop capacity for the design of survey instruments, CAPI, and survey implementation. Remote meetings will be followed by face-to-face workshops.

The World Bank also provided technical and financial assistance to ZIMSTAT to develop the National Strategy for Development of Statistics 2022–25 (NSDS III). The strategy will govern data production, curation, dissemination, and the use of data produced by all parties in the national statistical system.

Technical Assistance on the Implementation of the NDS1 Monitoring and Evaluation (M&E)

Technical assistance was provided to the MoFED/OPC/PSC tripartite on implementing the NDS1 and Sustainable Development Goals (SDGs) M&E. It included capacity building of the M&E teams in the MDAs and support for annual reporting of the indicators.

Other Achievements

- ZIMSTAT is continuing Rapid PICES for two additional rounds with financial support from UNICEF. The World Bank will continue to provide technical support on survey implementation and data analysis.
- As part of the Poverty Assessment, four research papers on poverty-related topics were completed by teams of national and international researchers under the supervision of international experts.
- One round of formal and informal business surveys were conducted to measure COVID-19 impacts.

Challenges and Lessons Learned

There were challenges and lessons for the Advisory Services and Analytics (ASA). The phone surveys were intended to provide a real-time window into the evolving situation in the country; but there was a lag between data collection, data analysis, and dissemination of findings, which diminished the relevance of the data. Additional resources are needed to continue the engagement to cement the achievements.

As the next steps, the Bank will provide TA to prepare the next household income/expenditure survey. ZIMSTAT and the World Bank will produce

a consolidated report identifying key trends in socio-economic outcomes using all nine rounds of the high-frequency survey. Technical assistance to the Office of the President and Cabinet and the Public Service Commission for the implementation of the NDS1 M&E and midterm evaluation of the NDS is ongoing.

2.5 Zimbabwe Climate Change TA

Zimbabwe is a land degradation and climate change hotspot. Global climate change models predict a hotter and generally drier climate future for Zimbabwe.

The project development objective of the TA is to provide knowledge management and capacity building to mediate the complex interactions between farming and other land uses. It also focuses on the rich biodiversity and ecosystem services that exist in selected landscapes, and how these can be utilized to ensure sustainable and integrated natural resources management in production landscapes.

The program supported three activities:

- Designing integrated landscape and sustainable biodiversity management approaches for production landscapes;
- Developing a participatory stakeholder engagement platform in landscapes and at the apex national level; and
- Scaling-up agrometeorological ICT solutions to local governments, communities and landscapes.

The progress reporting herein focuses on the new program and a few carryover activities from the previous Climate Change TA.



Climate Finance

The TA sustained its engagement with the Infrastructure Development Bank of Zimbabwe (IDBZ) over the reporting period to finalize arrangements for establishing and launching the Climate Finance Facility (CFF) at IDBZ. The TA drafted the terms of reference and went through a rather long procurement process, reflecting recent changes in procurement procedures regarding what is permissible under Bank-executed TAs. Procurement approval was granted in June, facilitating the issuing of the contract. Finalization of the institutional arrangements in the second half of CY22 will pave the way for the veritable launch and resource mobilization of the CFF.

Forestry

Similarly, the TA helped secure procurement approval for a proposed study on Sustainable Financing Options for the Forestry Sector in Zimbabwe. The contract was issued by June 30, and work is afoot to complete this critical work targeted to position the forestry sector for investment and growth after two decades of underfunding.

The Climate-Smart Agricultural Investment Plan

The Climate-Smart Agricultural Investment Plan (CSAIP) was finalized and presented to the Government of Zimbabwe. The TA will continue to support the rollout of the CSAIP across agro-ecological regions to engender enhanced climate resilience in collaboration with the Agriculture Practice of the World Bank.

The Agricultural Observatory

The Agricultural Observatory has grown in the regularity of its implementation, with the core technical team, drawn from across the agricultural and scientific spectrum, meeting regularly to produce weather bulletins. The meteorological services department (MSD) increasingly uses the Observatory to produce data triangulating the prediction of significant weather phenomena, such as the recent Cyclone Charlene. The institutionalization of the Agricultural Observatory is a work in progress, with a call to expand the sectoral coverage of climate information services to cater to the economy-wide climate change risks and vulnerabilities and the multi-sectoral needs for disaster risk management.



The TA will continue to support the rollout of the CSAIP across agro-ecological regions to engender enhanced climate resilience in collaboration with the Agriculture Practice of the World Bank.

Through the ProGreen Trust Fund, a Memorandum of Understanding (MoU) was developed between the World Bank and the Zimbabwe Farmers' Union to disseminate Digital Climate Advisory Services (DCAS) to about 20,000 farmers over two cropping seasons from 2021 to 2023 with the aim of supporting increased productivity and enhanced resilience. The impact evaluation revealed improvements in production for farmers supported with DCAS. With additional support from the ZIMREF Trust Fund, another MoU was signed between the World Bank and the Agricultural Extension Services (Agritex) in the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development. This MoU will provide digital weather forecasts and information covering multiple planting seasons up to June 2023, and expand the DCAS coverage to more farmers in the Mwenezi and Rushinga Districts, noted for their high vulnerability to climate change. With this additional support, the TA developed a scalable, comprehensive farmers' database for the Mwenezi and Rushinga Districts and registered more than 90,000 farmers in the database. Furthermore, the TA enhanced the technical capacity of Agritex to disseminate information electronically by developing three critical ICT tools: a GPS module for accessing the location of farmers' plots for weather forecasts, a Geospatial Module for web visualization



of farmlands and land uses, and an SMS Module for advisory dissemination. To ensure sustainability, the TA further provided training to 12 officials from the Agritex and Meteorological Services Department to access weather forecasts, generate advisories, and disseminate them to farmers.

Nationally Determined Contribution Implementation and Low-Carbon Development Support

The TA sustained its engagement with the government, supporting NDC implementation in Zimbabwe mainly through donor coordination and the drafting and consolidation of the High-Level NDC Implementation Matrix. Resource constraints, however, limited the scope of support the World Bank could provide for NDC implementation.

Biodiversity and Sustainable Production Landscapes

The reporting period registered significant progress on the ProGreen TA, which is supporting the ecosystem services mapping and evaluation in Mazoe Catchment in central northeastern Zimbabwe. The government drew on the findings of the national level screening of ecosystem services previously done by the ProGreen TA team, as well as other administrative considerations, to select Mazoe Catchment as the focal landscape for evaluating deep-dive ecosystem services. The consulting team produced the full study report. At the time of writing, the draft report is finalized and on its way to government for client review ahead of finalization and publication. Completion of this diagnostic report will dovetail with the development of a bigger lending project on biodiversity and sustainable landscapes in the same setting.



The TA developed a scalable, comprehensive farmers' database for the Mwenezi and Rushinga Districts and registered more than 90,000 farmers in the database.

An in-depth assessment and valuation of ecosystem services options in the Mazowe Catchment was undertaken, and a report titled “Mapping and Valuing Ecosystem Services for Sustainable Landscape Management in Zimbabwe” was produced. It was endorsed by both the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development and the Ministry of Environment, Water, and Climate Tourism and Hospitality Industry the two counterpart Ministries that the team worked with under this TA. The report documented the geographic, ecological, and socio-economic characteristics of the Mazowe Catchment, analyzed the trends in ecosystem services provided, and recommended a range of interventions that could be implemented to ensure continuous delivery of ecosystem services. The report showed that productive natural ecosystems in the Mazowe Catchment are being lost and degraded by poorly planned and managed commercial and small-scale livelihood activities; and highlighted the need for public investment in conservation and sustainable landscape management practices to sustain livelihoods and enhance economic development within the catchment. The key recommendations of the report include:

- a. supporting further adoption of Climate-Smart Agriculture (CSA) interventions to improve

- b. invest in sustainable landscape management to address land degradation and restore ecosystem health; and
- c. design and pilot ecosystem services for CSA and sustainable landscape management through carbon finance.

The TA also fostered consultations with development partners and helped to inform approaches for resilience building and landscape management in the country strategies for the Swiss Development Agency, Sweden International Development Agency (SIDA), and the European Union (EU).

Conference of Parties Side Event

The TA received an invitation to participate in a Conference of Parties 24 (COP24) side event on “Climate Proofing Agriculture.” ZIMREF’s support for developing a Climate Smart Agriculture Investment Plan (CSAIP) was highlighted. The CSAIP outlines a range of investment priorities to build a more productive, resilient, and low-emissions agriculture sector and guides the investment opportunities that support the Government’s priorities for a resilient and productive agriculture sector in the face of a changing climate.

Future Direction

Going forward, the Climate Change TA team plans to:



Deepen and mainstream the Agricultural Observatory, expanding climate information services to cater to the needs of other sectors and economy-wide disaster risk reduction.



Supporting CGF project development, partnerships and resource mobilization and launching the Climate Finance Facility at IDBZ.



Develop the Type 1 ProGreen grant, preparing an investment project for sustainably productive landscapes in the Mazoe Catchment, with funding from ProGreen, GEF and GCF.

2.6 Program Based Budgeting (PBB)

The Program Based Budgeting (PBB) TA provides program budget technical assistance that enables MoFED and line ministries to: (a) define the key public sector service delivery programs for monitoring (b) identify output and results indicators for each program, (c) and assign existing budgets and expenditures to these programs. Its objectives were to facilitate efficient and targeted allocation of government resources; and to build government capacity to utilize theory of change.

PBB implementation began in 2014. Remaining activities delayed due to the pandemic, were completed between January and June of 2022.

Achievements

In the first half of CY2022, MoFED completed the following activities:

Training. Training delayed due to the COVID-19 pandemic were completed in February 2022 after the government relaxed COVID-19 regulations. Sessions included training of trainers and of external auditors. The training was designed to sharpen staff's technical skills, leading to improved PBB functionality on the Public Financial Management System (PFMS) and enhanced accountability through the external audit function. The training also covered report and monitoring framework aligning to PBB and work

under the Whole of Government Performance Management System, which is all anchored on NDS1.

Presentation of two joint reports. Two reports: "Performance Reporting to Parliament and Citizens: Lessons for Zimbabwe" and "Programme-Based Budgeting in Zimbabwe: Experiences and Lessons" were presented to the government during this period. The MoFED officiated these presentations. The reports detailed the PBB implementation journey, key achievements, lessons, and ways forward.

PBB implementation reports for selected ministries.

A review of the Ministry of Labor and Social Welfare implementation reports was undertaken during this period, highlighting issues that require further attention and policies that need strengthening. It is hoped that the review process will foster a performance management culture within the public service.

Challenges and Lessons Learned

The PBB journey in Zimbabwe started in 2014 and has gained traction since its inception. It was adopted in 2014 on a phased implementation basis, and in 2016 three pilot ministries had their expenditure estimates tabled in the program format. By 2020, all 35 ministries and agencies presented their expenditure estimates in program format.

Some of the challenges the program faced in 2022 include:



The COVID-19 pandemic, which delayed implementation—especially of training, as physical meetings were not allowed.



Attrition of trained government staff presents a continuous challenge, with some staff some leaving the civil service and others being reassigned or promoted. This creates a shortfall of staff with knowledge with PBB.



Merging or change of MDAs also create a challenge for the program, as mapped programs are periodically changed or merged as government changes ministries or reassigns roles to existing ministries.

A number of lessons also emerged from the PBB:

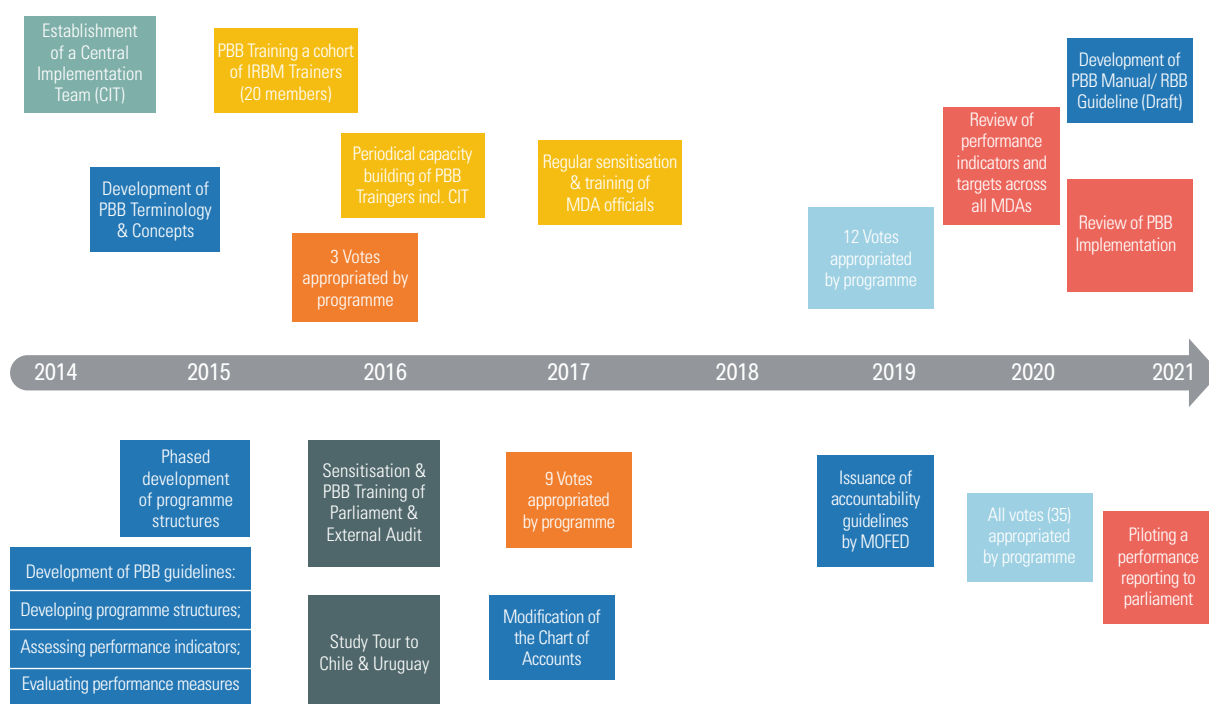
- The MoFED's strong commitment to advancing PBB implementation was a critical factor for success. MoFED championed PBB reforms, which the Office of the President and Cabinet oversaw. Further to this, implementation of reforms is more straightforward where authorities have a dedicated unit, such as the one that exists in Zimbabwe under the public finance directorate. Despite COVID-19 pandemic disturbances, authorities were willing to complete the training once conditions permit.
- Reforms require continuous monitoring as well as training programs to facilitate quick adoption. A novel way of creating internal capacity resulted in a cohort of trainers. This saw continuous training, mitigating attrition challenges.
- Complementarity with other reforms is critical. The PBB TA complements other World Bank PFM activities, enabling smooth implementation. There was also a cross-

sectoral approach to PBB, with the Ministry of Health implementing a similar reform through results-based financing programs. Though the COVID-19 pandemic slowed TA training, once the government relaxed pandemic regulation, the strong commitment from the authorities enabled the timeous completion of the remaining activities.

The Implementation Journey

The figure below shows the PBB journey. Every step contributed to the achievement of set objectives. PBB's adoption and subsequent implementation since 2014 is an enormous accomplishment for Zimbabwe. In 2014, the country's PBB initiative received funding from the Zimbabwe Reconstruction Fund as well as national budget revenue. As a result, Zimbabwe implemented PBB in four years, starting with three ministries (votes) in the 2016 budget and expanding to all 35 ministries and agencies in the 2020 budget. The year 2022 is the third year for which the budget is submitted to Parliament in PBB format.

Figure 2.8.1. The PBB implementation Journey



Next Steps

World Bank support for the PBB ended in June 2022. Authorities in Zimbabwe will continue to refine and implement the PBB, strengthening and improving the quality of performance indicators and targets. Reporting and monitoring, primarily through Parliament, remain critical. Ministries, Departments and Agencies (MDA) performance reports ought to be tabled and debated in Parliament and publicly available on their website.

2.7 Multipurpose Water Storage System Assessment for Sustainable Productive Water Use

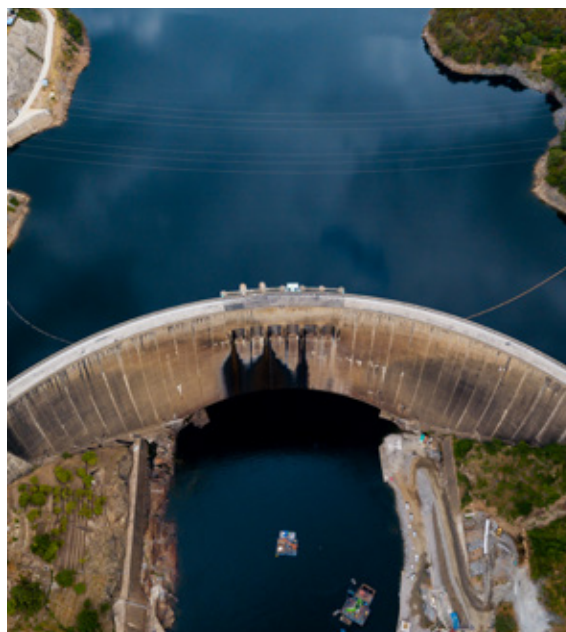
Zimbabwe has historically relied on water storage dams to ensure water, food, and energy security. The country has the second highest storage capacity in Southern Africa, with about 4,485 public dams. These dams were constructed in the last century (from the 1920s) and represent a significant, but aging, national infrastructure asset.

Within this context, the ASA (FY21) advised the Government of Zimbabwe (GoZ) on the development of an excel-based tool, the Multi-Criteria Decision Model (MCDM), to help identify and triage dams for rehabilitation. The MCDM helps to prioritize the dams based on transparent, open, and explicit criteria where stakeholder values are elicited and explicitly incorporated into the decision process through a strong stakeholder engagement process. These include technical criteria that focus on dam hazard risks; technical conditions and potential for development; criteria on potential productive uses, including in agricultural systems (crop, livestock, fisheries); institutional criteria that focus on dam management factors; and social and environmental criteria that also focus on climate vulnerability. The ASA is/has provided technical support on the development and use of the tool, which is/will triage rehabilitations to enhance climate and disaster resilience and food security of communities across the country.

Data collection efforts for the 30 sample dams is complete, along with the testing and fine-tuning of the tool. During this process, there has been a strong emphasis on streamlining data collection efforts, which required:



- consultation workshops on data sources,
- identification of data collectors/validators for all catchments and provincial irrigation departments,
- training on the use of a digitalize platform to collect georeferenced data,
- identification of alternative sources through partnerships with ZINVAC, Bindura University and UNESCO/PRINCETON Flood & Drought Monitor, etc.

These efforts have been instrumental in addressing the data challenges for the Zimbabwe National Water Authority (ZINWA), creating an opportunity to further support the government in building up its infrastructure database. The data can be used both to triage dams and for other water resources management purposes.



2.8 Zimbabwe Risk and Resilience Project

The Zimbabwe Risk and Resilience Project (ZRRP) supports disaster risk management (DRM), with \$3 million comprising:

 <div>Bank-executed \$800,000 COMPONENTS</div>	 <div>Recipient-executed \$2.2 million COMPONENTS</div>
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The ZRRP aims to strengthen the institutional, systems, and policy-related aspects of government-led DRM in Zimbabwe, enabling more informed, coordinated, and transparent decision-making. Its objective is to address the early and medium-term resilient disaster recovery needs of cyclone-affected people, and through targeted piloting of key policy initiatives (decentralization, social protection, service delivery) in the cyclone affected areas, to inform subsequent application at national level.

The project is supporting the Zimbabwe Department for Civil Protection (DCP) to strengthen the DRM response in Zimbabwe. In addition to facilitating more informed, coordinated, and transparent decisions on DRM, this project supports development and operationalizing of a centralized beneficiary registry management information system (MIS). This has provided technical assistance to support capacity building for disaster management and coordination across and within key central and local ministries and departments.

The project has made considerable progress in implementing activities, with most DRM activities completed by December 31, 2022. These activities included:

- the Social Protection MIS (on the project critical path),
- an institutionalization plan for the Composite Drought Indicator with Bindura University,
- the Disaster Risk Management Strategy planning process, supporting the DRM Bill,
- the National Plan for Emergency Preparedness and Response and the provincial and district pilot approaches, and
- the DCP Database and Management Information System.

The Government of Zimbabwe is working on an end-of-project evaluation of the ZRRP. The review will yield a comprehensive evaluation report for the project. The review will examine key factors that affected implementation and outcomes during the preparation and implementation stages; quality of monitoring and evaluation aspects at the implementation and utilization stage; the effectiveness of outcomes on project development objectives; and gender and institutional strengthening.

Results

The project made progress towards achieving its development objective.



Since the project launched it has disbursed
\$2,146,438 MILLION
 to the project implementation unit
 and through direct disbursement
 to suppliers



An unutilized balance of only
\$54,348 REMAINS



The disbursement
 percentage is at
97.5%

Social Protection MIS implementation was not completed by the closing date. The final procurement of two additional servers and a firewall were completed and the items were received by MPSLSW. Synergy International finalized the MIS software based on feedback provided during the UAT and delivered the web and mobile versions of the MIS software. In early December, MPSLSW also conducted training of trainers and system user training sessions on the new MIS and its business processes.

To date, the project has met several key results targets:

- In alignment with the draft DRM Bill, key policy and strategic documents and decision support tools were developed to strengthen DRM coordination across the country. These include the National Disaster Risk Management Strategy, the National DRM Communication Strategy Draft, and the National DRM Plan for emergency response.
- Capacity support and training were provided to National Civil Protection Committees, and training of trainers and district training on Post-Disaster Needs Assessments were conducted.

In addition, the Project capacitated DCP staff and members of the National Civil Protection Committee (NCPC) on CDI production; GIS & Remote Sensing; and the KoBo ToolBox.

- The project financed and supported the National Contingency Planning Workshops for 2021, 22, and 23. The workshops were attended by over 80 participants drawn from GoZ MDAs, NGOs, UN agencies, multilateral funding agencies, and other stakeholders in the DRM sector. The workshops helped strengthen capacity for preparedness and response to rainy season-related emergencies and promote early recovery considering experiences of past seasons. Workshop outcomes included a government-approved budget for contingency.
- The project continued to facilitate the involvement and coordination of government in the ZIRP. Four monitoring visits to ZIRP implementation sites were conducted jointly with the Government, World Bank, and UNTAs.



The National Contingency Planning
 Workshops were attended by
over 80 PARTICIPANTS

➤ The project supported the International Day for Disaster Reduction (IDDR) commemoration events as part of local DRM awareness raising, and developed awareness campaign promotional material. The project also supported the government's participation at the World Reconstruction Conference 5 (WRC5) and Global Platform for Disaster Risk Reduction.

➤ The SPMIS consultant completed the system design and submitted a needs assessment and system requirement study report. Synergy international also finalized the MIS software and delivered the web-based and mobile versions. MPSLSW conducted training of trainers and system user training on the new MIS and related business processes. By the end of the project, the system was 70% complete and ready to be deployed at the National Data Centre. It was piloted to nine Cyclone Idai affected districts. The National Data Centre was estimated to be 95% complete in terms of configurations. Testing was planned for February–March 2023 to ensure the system performs well before deployment. Synergy is expected to deploy the system. The public portal was still under development on at the closing date. Synergy has since indicated that the portal is complete and is now ready for testing. MIS officers will schedule a meeting with technical committee members where Synergy will demonstrate the public portal prototype.

➤ As part of a range of initiatives to strengthen DRM at the subnational level, the DCP organized for district and ward DRM training. This involved training staff from key Government MDAs, who are also members of the District Civil Protection Committee (DCPC). In addition, other activities such

as PDNA training were conducted at the subnational level. IT equipment was also delivered, as well as rollout curriculum training for DRM and training of trainers for schools.

➤ The DRM MIS database was completed. District and subdistrict level entities were linked through existing coordination structures. The national office is currently responsible for data input, hence the districts report through the current reporting systems to their respective provinces. Verification workshops were also conducted to get stakeholder feedback. More reviews are still coming for continuous improvement. Reports generated include:

Sendai report

Infrastructure, crops, livestock, dwellings, damaged or destroyed

Donations collected

The DRM database differentiates from the Disaster Loss Sendai Monitor Database, which also collects loss information. Their data is not validated hence it shows some discrepancies. Additionally, there is no comprehensive data on other databases; not much in terms of economic losses is reported.

➤ The National DRM Plan and Provincial/District Plan template were developed. DCP developed operational guidelines, SOPs, and sectoral plans aligned with the National DRM Plan. The objective of the standard guidelines and procedures is to provide systematic and effective day-to-day, practical ways of conducting DRM operations and functions by the DCP and the wider CPO in Zimbabwe.

Next Steps

- Live MIS /beneficiary registry pilots in nine cyclone affected districts (Chikomba, Chipinge, Chimanmani, Mutare, Masvingo, Zaka, Chiredzi, Gutu and Buhera) will follow. The project agreed that the MIS Technical Committee would develop a plan to pilot the system across nine districts. The pilot starts with the FDMS program. The pilot is expected to run from April 10 to May 5, 2023. A review workshop will follow in order to assess system performance before scaling to other districts. MPSLSW will cover the cost of piloting the system in the initial nine districts. Beyond what was provided for in this grant, the rollout of the MIS system and registry to the remaining 56 districts will require financing for hardware and training. It is hoped that MPSLSW and MoFED will provide the necessary expenditures as part of the government's 2023 budget.
- Solid progress was made in terms of system integration with Ecocash and Netone and the work is expected to be completed during the same period when the system will be deployed. The integration with the Registrar's office is still lagging behind due to technical challenges.
- As part of the follow up work on the Standard Operating Procedures (SOPs) for the NEOC, Department of Civil Protection (DCP) will conduct a validation workshop with all stakeholders. All MDAs will prepare sectoral plans to be integrated with these SOPs. The SOPs contain both technical and operational guidelines, enabling designated emergency responders to act in a coordinated manner

across various disciplines. This enhances the efficiency of a multiagency response and the exchange of critical information to participating responders, saving lives in the process. This will help strengthen compliance with organizational, governmental, national, regional, and international requirements in DRM. In addition, the DCP will develop checklists for use by senior staff when monitoring and evaluating DRM procedures.

- As part of the continued implementation of the Comprehensive Drought Indicator (CDI) institutionalization plan, periodic refresher training and continued technical support by Bindura University to DCP, MSD, AGRITEX, and ZINGSA are needed. Ideally, trained participants will cascade the training at the national and subnational levels. There is also need for stakeholders training related to data utilization and information such as maps, thresholds, and triggers for decision making. Examples of relevant stakeholders include Food and Nutrition Council (FNC), the Department of Social Development, ZINWA, the Ministry of Agriculture and many more. DCP recommended Bindura University introduce the CDI as part of the curriculum.



The CDI institutionalization plan, periodic refresher training and continued technical support by Bindura University to DCP, MSD, AGRITEX, and ZINGSA are needed. Ideally, trained participants will cascade the training at the national and subnational levels.

2.9 Social Protection and WASH Interventions to Keep Adolescent Girls in School

ZIMREF completed a social protection and WASH one-year pilot that supported adolescent girls in Zimbabwe and kept them in school after COVID-19-related school closures. The pilot complemented the Government's Basic Education Assistance Module (BEAM) program and provided a comprehensive package of cash transfers, livelihood support, menstrual hygiene management, WASH and hygiene support, and school-level sensitization.

The pilot, located in the Buhera district, provided monthly (six) unconditional cash transfers to 1,500 households with adolescent girls currently benefiting from the BEAM school fee waiver program. Having identified that economic hardships, negative coping mechanisms and menstrual hygiene/WASH are key barriers affecting adolescent girls' education, the pilot tested the potential of providing layered support to the existing BEAM program. The project's development objective was to reducing school dropout for adolescent girls due to the COVID-19 pandemic through complementary social protection and WASH interventions.

Pilot activities were successfully concluded on September 30, 2022, and steps are being taken to close the grant and document lessons learned. The pilot surpassed its results framework indicators by reaching 1,007 households in 48 schools in the Buhera district (compared to an initial target of 400 and a revised target of 850).

All pilot activities were concluded on time, including:

- three bimonthly cash transfer payments of USD 70 each;
- an Income Generating Activity (IGA) grant payment of USD 250, paid in two equal instalments;
- the delivery of menstrual hygiene management kits to all households including sanitary pads, underwear, masks, sanitizer, soap and a towel;
- delivery of chlorine tablets to all households; and
- delivery of sensitization and awareness raising sessions to students (both boys and girls), parents/guardians and teachers.

The pilot also engaged a wide range of stakeholders in line with the Stakeholder Engagement Plan (SEP) and worked closely with community leaders and the government at the district and national levels. Monitoring and evaluation (M&E) activities were completed on time. This included post-distribution monitoring of payments and non-food items, reconciliation of payments, and attendance tracking.

The process evaluation carried out by Muthengo Development Solutions (MDS) and funded under the Bank Executed RSR grant (under P172835) has also been finalized. Results will be disseminated during a workshop in February 2023. Key questions that the process evaluation covers include whether there is an increase in attendance, performance, confidence,



The pilot surpassed its results framework indicators by reaching

1,007 HOUSEHOLDS, in
48 SCHOOLS
in the Buhera district



The initial target was

400 HOUSEHOLDS
and was revised to
850 HOUSEHOLDS

and sanitation among adolescent girls; changes in welfare and economic activities among beneficiary households; and sustainability and scalability of the intervention, among others.

Challenges and Lessons Learned

The pilot faced various delays throughout implementation, while challenging, were successfully

resolved. The declaration of effectiveness was delayed by back and forth on the legal agreement, which pushed back the pilot start date by almost 3 months. Further, the first set of payments was delayed while awaiting an exemption from the Reserve Bank of Zimbabwe (RBZ) to conduct mobile money payments. However, these issues were resolved and the pilot was granted an extension to fully complete all activities as designed.

Key lessons learned include:

01

Increases in school attendance: Initial M&E findings suggest that the layered and comprehensive approach of the pilot had a noticeable impact on school attendance by addressing some of the main constraints that adolescent girls faced, including MHM and food insecurity. While more detailed findings will be obtained through the process evaluation, preliminary findings and anecdotal evidence are extremely positive.

02

Behavior change among parents/guardians: Preliminary findings also suggest that sensitization and awareness-raising sessions have influenced behavior change among parents and guardians in favor of more positive parenting. Both male and female caregivers reported behavior changes in the household, better supporting the adolescent child and invest in her well-being and education. More detailed findings are expected from the process evaluation.

03

Income generating activity grants (IGAs) were used to invest in livelihoods activities: Preliminary M&E findings show that households invested their IGA in various livelihood activities, mostly agriculture or petty trade. This was supported by the training received through VSLA groups under the Start4Girls Project on which the pilot was layered. Initial evidence suggests that households invested their grants in productive activities in line with the project's design. The process evaluation will provide further details, including on the performance of these IGAs.

04

Changes in the number of beneficiary households: Initially, based on government estimates of the BEAM caseload in Buhera, the target number of households was set to 400. Once the BEAM list was shared with CIZ, it was determined that the project could support 850 households in the district. In March 2022, it was noted that there were 157 BEAM beneficiaries in the 48 pilot schools that were eligible but not supported by the project. Given savings in procurement that provided some flexibility in the project budget, the pilot agreed to add the additional 157 girls to reach a total of 1007 beneficiary households. Thus, all eligible BEAM beneficiaries in the pilot schools were enrolled in the pilot.

05

Seasonality is key in rural contexts: While the pilot was designed to start in September 2021 and thus support households during the lean season (October to January), effectiveness was declared on December 21 due to the aforementioned delays. As a result, the pilot closed on September 30, 2022, thus ending support to households just before the start of the lean season. Nevertheless, the importance of supporting households during the lean season to minimize potential human capital development losses, particularly in rural areas where households are disproportionately affected by the lean season, has been noted.

06

Non-food items are shared: The pilot was designed to provide a MHM kit for the beneficiary adolescent girl to last her a full year (12 months). However, beneficiaries consistently reported that they shared all non-food items including sanitary pads, underwear, masks, and sanitizer either with other women/girls in their households or with friends and community members. This should be considered in future program design or similar interventions.

07

Access to cash: In rural areas, it is essential to facilitate access to cashing out mobile money for beneficiaries, as fewer shops can accept USD mobile money accounts and those that do must cover a fee, resulting in higher prices. The pilot facilitated cash out during each payment through the payment service provider, Ecocash. Ecocash contacted agents on the ground and mobilized their mobile cash point and additional security to provide this service to beneficiaries.

Table 2.11.1. PDO Level Indicators

Indicator	Target	Actual	Comments
School attendance (retention) of adolescent girls (percentage)	95	97.5	Overall, school attendance among pilot beneficiaries increased by 30%.
Increase in awareness of key WASH and MHM concepts by pilot participants (percentage)	95	60	While awareness increased among school staff that were trained, given the short duration of the pilot there was not enough time for this knowledge to be fully transferred to students and parents. Further, a lack of training materials and refresher training for teachers affected their ability to train others at the school.

Table 2.11.2. Intermediate Indicators

Indicator	Target	Actual	Comments
Number of beneficiaries supported through the pilot (number)	1,650	5035	
Number of households supported through the pilot Percentage of pilot-related grievances addressed through the required terms	400	1007	The original target was set at 400 households as the initial estimated provided by BEAM program officials for Buhera was 400 households; however, once the list of beneficiaries was shared a larger caseload was identified, allowing the pilot to cover a total of 1007 households.
Percentage of school staff demonstrating familiarity with WASH and MHM concepts	80	100	While there was an increase in awareness of WASH and MHM concepts among school staff, only one teacher per school was trained and this teacher did not often have the time or resources to train others.

Next Steps









During the dissemination workshop, the team will engage sectoral stakeholders to identify next steps and opportunities to leverage the pilot's findings to strengthen ongoing interventions and identify additional areas for support.



ZIMREF

FINANCIAL REPORTING

Under TF072201 (original account), from inception to December 2022

 <p>Cash contributions amounted to \$38,166,096</p>	 <p>Investment income amounted to \$949,878</p>	 <p>Total receipts amounted to \$39,115,969</p>
 <p>Total disbursements during the period under review came to \$38,941,513</p> <p>Of this amount \$23,381,873 was disbursed to the Grantee</p>	 <p>Staff costs and benefits came to \$8,708,085</p>  <p>While other costs came to \$6,188,233</p>	
 <p>Non-project disbursements in administrative fees came to \$663,322</p>	 <p>The undisbursed balance was \$174,456</p>	

Under TF073043 (parallel account) from inception to December 2022









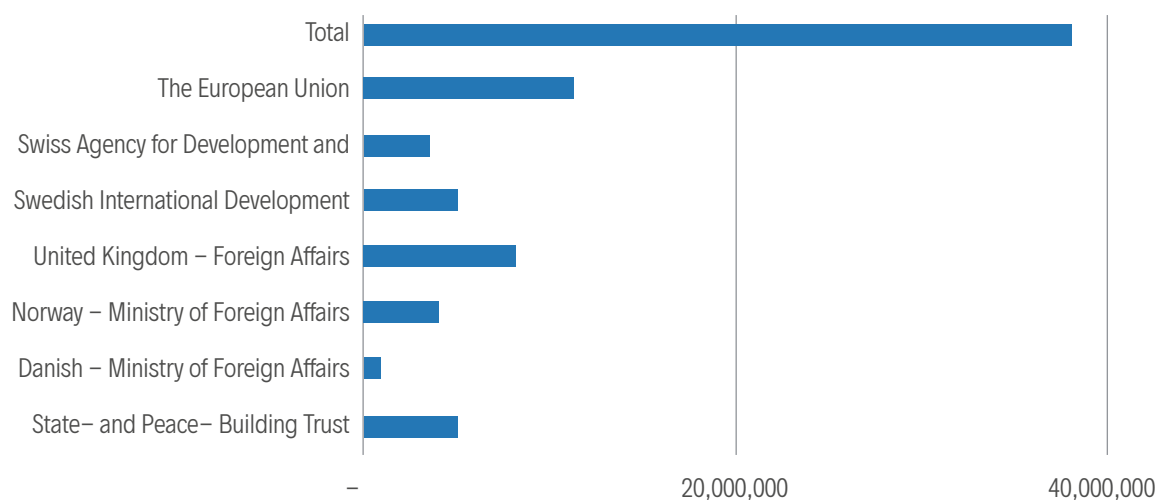
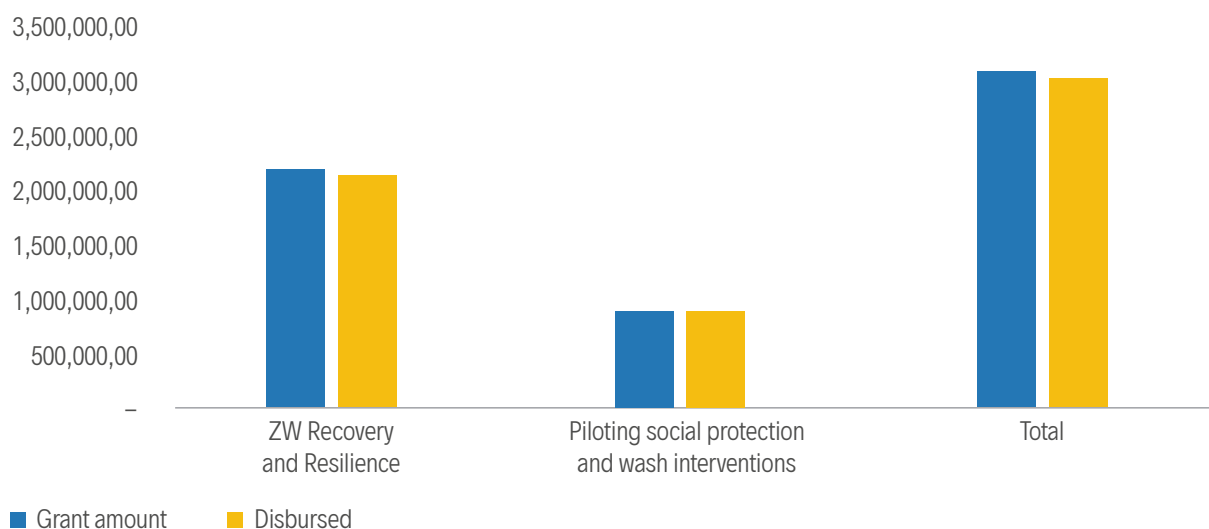
 <p>Cash contributions amounted to \$13,971,478</p>	 <p>While investment income amounted to \$236,898</p>	 <p>Giving total receipts of \$14,208,375</p>
 <p>Total disbursements during the period under review came to \$13,539,693</p> <p>Of this amount \$2,928,154 was disbursed to the Grantee</p>	 <p>Staff costs and benefits disbursed by WBBG came to \$7,181,856</p>  <p>While other costs came to \$3,274,684</p>	
 <p>Non-project disbursements in administrative fees came to 155,000</p>	 <p>The undisbursed balance was \$668,682</p>	

Figure 3.1. Donor Contributions

For recipient-executed projects, all funds, amounting to \$3.1 million, were disbursed by the reporting date of December 31, 2022. These included the Zimbabwe Recovery and Resilience Project and the Social Protection and WASH Project.

Figure 3.2. Grant Amounts and Disbursement as of December 31, 2022

The following ASA were still open by the end of December 2022 (capital budgets):

State-Owned Enterprises Reform

Climate Change TA Program II

Zimbabwe Agricultural Observatory Scaling Up

ZiW-MSME & Consumer FinScope Survey

Support to poverty monitoring
and analysis in Zimbabwe

Resilient Agri-Food System in Zimbabwe



A fund balance of
\$47k remained
remained for activities that will be
completed under ASA in 2023



By the end of December 2022,
a fund balance of
\$82k remained
in the Zimbabwe Secretariat



\$35k remained
unallocated in the main fund

04

COMMUNICATION

Communication objectives (communication and visibility plan):



To inform, raise awareness, and stimulate demand-side accountability of supported reforms and institutional development by keeping the public, civil society, the private sector, and Parliament fully abreast of supported activities and expected benefits.



To ensure public access to ZIMREF information, project materials, and other relevant documents in line with the World Bank's Access to Information policy: <https://worldbank.org/en/access-to-information>.



To raise the visibility and profile of contributing development partners and their efforts to assist Zimbabwe.

Table 4.1. Ensuring Public Access to Documents and Relevant Information

Tools	Frequency	Quantity
Annual report	Annually	1
Press releases/ advisories	As and when the need arises	2
Exhibitions	1	ZITF in collaboration with UN
Oped	1	Climate-Informed Collaboration Vital to Zimbabwe's Resilience and Economic Growth ZIMREF is providing technical assistance (TA) to support Zimbabwe in accelerating climate action to mitigate climate shocks, alleviate poverty, and promote resilient economic growth and development. As part of this work, we supported the Infrastructure Development Bank of Zimbabwe to gain accreditation with the Green Climate Fund and worked with government to update their Nationally Determined Contribution commitments
Webinars		Climate Smart PIM Webinar Telephone Surveys Dissemination
IEC materials (fliers, folders, banner, website update, feature stories, blogs)	As and when the need arises	Fliers and materials for the Zimbabwe International Trade Fair

Note: ZITF = Zimbabwe International Trade Fair; UN = United Nations; IEC = information, education, and communication.

Communications support to ZIMREF



Support to events such as the Zimbabwe Investment Development Agency investor's cocktail, Launch of E-courts, Climate of Parties side event on "Climate Proofing Agriculture" and Climate Smart Public Investment Management Webinar.



Review of public information including publications, talking points and presentations for the Finscope 2022 Zimbabwe Micro Small Medium Enterprises (MSME) Survey and Telephone Surveys Dissemination.



In 2022, the ZIMREF website was redesigned to improve the user experience.



Exhibition support and distribution of IEC materials at the Zimbabwe International Trade Fair.



Feature Story

A pilot project in Zimbabwe shows how grants, cash, and menstrual pads can keep adolescent girls in school.

Story Highlights

The pilot project reduced the school dropout rate for adolescent girls after the COVID-19 pandemic, through complementary social protection and WASH interventions.

Menstrual hygiene management kits were critical, improving attendance by over 30%.

Income generating activity grants gave adult beneficiaries the chance to start businesses in livestock, poultry, or vegetable farming.

Mavis Tsvakai's face lights up as you enter the new grocery shop that she opened in August 2022. Less than a year later, her life is a far cry from how she and her family used to get by. Then, she would walk as far as 10kms to farms needing a hired hand, something that was difficult for her seven children, as well as for her husband, who suffered a stroke 10 years ago, rendering her the sole bread winner.

A \$250 income generating activity (IGA) grant helped her set up her store in a trading center "so that we would have an income," she says. Though Mavis makes about \$10 a day on average and pays \$30 a month in rent, she recorded brisk business during the 2022 festive season, making \$200 on her best day—money that will help her to restock and pay school fees. She supplements this by raising turkey. One of Mavis's children also receives assistance through the Zimbabwean government's Basic Education Assistance Module (BEAM) social program, which covers school fees, examination fees and other levies to support orphaned and vulnerable children aged 4–19 years old, including learners with disabilities.

Mavis's household is among the beneficiaries of the \$0.9 million *Piloting Social Protection and WASH interventions to keep adolescent girls in school in Zimbabwe* project, which began in December 2021 and ended in September 2022. The project sought to reduce the school dropout rate among adolescent girls resulting from the COVID-19 pandemic, by initiating complementary social protection and Water and Sanitary Health (WASH) interventions in Buhera, a district in eastern Zimbabwe's Manicaland province.

For Catherine Mowu and Regina Zhizhombe, collaboration is their means to securing livelihoods for their families, and the joint venture a means to that end.

Buhera is one of the poorest and most water-scarce districts in Zimbabwe, and thus easily affected by any increase in household poverty. The pandemic had added to the layered vulnerability of girls living in poverty there, given gender dynamics and the disproportionate impact it had on women and girls. Exceeding its target of 850 households, the pilot project assisted 1,077 households, each with an adolescent girl already registered in the BEAM program.

Beneficiaries received unconditional cash transfer payments of \$210 over six months, an IGA grant payment of \$250 (in two equal installments), and the delivery of a menstrual hygiene management kit, which included sanitary pads, underwear, masks, sanitizer, soap, and a towel. Chlorine tablets were also given out and sensitization and awareness-raising sessions held for students (boys and girls), parents or guardians, and teachers. These interventions were delivered at household and school levels to provide girls with comprehensive support.

With their IGA grants, adult beneficiaries embarked on different projects that include livestock rearing, poultry rearing, and farming. This includes two households coming together as a joint venture to plant an area of 1.6 hectares (almost 4 acres). For Catherine Mowu and Regina Zhizhombe, collaboration is their means to securing livelihoods for their families, and the joint venture a means to that end. "We decided to partner and grow tomatoes for sale," they said. "We realized that pooling our funds together would help us sustain our garden." The ladies are also in a village savings club, a community mechanism of a revolving fund that disburses loans from the proceeds of monthly subscriptions.

The freeing effects of access to menstrual pads Seated under a tree in rural Buhera, four of the 14 beneficiaries at Zvomoyo Secondary School outline how menstrual pads have been a source

of confidence for them. With their similar socio-economic backgrounds, the students easily relate as they narrate their experiences.

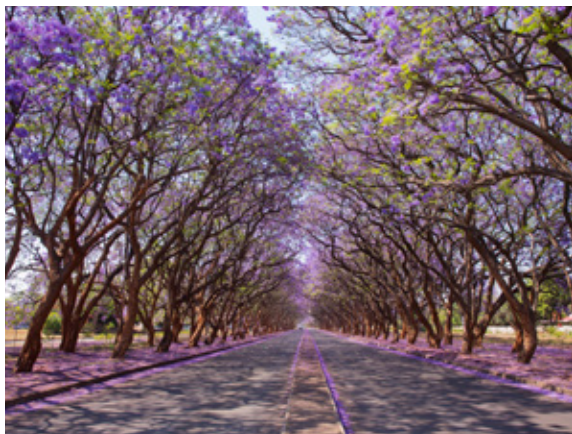
“Prior to receiving sanitary pads, we could easily miss school, as we struggled to stand up during lessons in fear that the fabrics we were using as sanitary towels would have spoilt our uniforms,” said one secondary (high) school student. “Additionally, we no longer have to forego school to work on farms with our parents, opting to make money to buy a bar of soap so that we could wash the fabrics we used during menstruation.”

Before the start of the project, the “go to” teacher and Guidance Counsellor, Netty Magocha, would assist students from her personal supplies. “The project has improved attendance as students no longer miss school during menstruation,” she said. “Girls have become more optimistic about completing their studies. I have also observed how, through the cash

transfers, parents have been able to buy uniforms. This has greatly improved the learning experience.”

The pilot provided all 1,007 girls menstrual hygiene kits for 12 months. The sensitization and awareness-raising sessions were organized at 48 schools to encourage behavior change in menstrual management and supporting the girl child.

The project was funded by the *Zimbabwe Reconstruction Fund* and implemented by CARE International. It closed in September 2022. It is hoped it will inform the future policies and programming of Zimbabwe’s Ministry of Public Service, Labour and Social Welfare and other government departments, and strengthen their capacities. It shows that *interventions which directly target and support adolescent girls by reducing barriers to their continued education, and which also improve their life skills, can contribute significantly to the overall accumulation of human capital*—something key to a country’s future.



Plans for 2023

In 2023, the team will focus on greater and broader dissemination of results as we work to prepare a list of good practices, outcomes, projects, activities, and documents that can be more widely disseminated.

