



Public Financial Mgmt Enhancement Project (P152932)

AFRICA | Zimbabwe | Governance Global Practice |
 Recipient Executed Activities | Investment Project Financing | FY 2016 | Seq No: 4 | ARCHIVED on 01-Dec-2017 | ISR30054 |

Implementing Agencies: Ministry of Finance and Econ Devt, Republic of Zimbabwe

Key Dates

Key Project Dates

Bank Approval Date:24-Mar-2016

Effectiveness Date:24-Jun-2016

Planned Mid Term Review Date:29-Jun-2018

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2019

Revised Closing Date:30-Jun-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

<p>The Project development objective (PDO) is to improve control, transparency and accountability, and oversight in the use of public resource in Zimbabwe. The Project will contribute to enhancing fiscal discipline, strategic allocation of resources, and service delivery efficiency, through strengthened systems, procedures and targeted capacity-building.</p>

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Financial Management and Accounting (including IFMIS):(Cost \$6.80 M)

Enhance Effectiveness of Internal Controls and Internal Audit:(Cost \$3.20 M)

Enhance Accountability through Strengthening of External Audit:(Cost \$5.00 M)

Strengthening the Demand Side of Transparency and Accountability:(Cost \$3.00 M)

PFMEP Management:(Cost \$2.00 M)

Project Implementation Support by the World Bank:(Cost \$0.80 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Satisfactory



Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● Substantial	● Substantial

Implementation Status and Key Decisions

The progress towards achievement of the Project Development Objective (PDO) and the overall implementation progress are rated as '**moderately satisfactory**'. There is improved performance on progress of activities relating to (i) Internal Controls and Internal Audit (Component 2) and consistent good performance on Enhanced Accountability through strengthening of External Audit (Component 3), Strengthening demand side of accountability and transparency (Component 4). Project Management (Component 5) made steady progress. The performance of the largest component - Financial Management and Accounting (Component 1) deteriorated in the absence of clarity of Government's preferred way forward on key areas. The ratings primarily reflect the progress in terms of activities and the reform impact. The cumulative project disbursements till August 31, 2017 amount to USD 1.42 million.

Some of the key achievements since the previous ISR include (i) Establishment of Internal Audit units in all Ministries, training of internal auditors and appointment of Audit Committees in most of the Ministries, (ii) timely submission of audit reports to the parliament by the Auditor General, (iii) trainings and workshops conducted to parliamentary committees and consideration and tabling of report of findings to the National Assembly. Consequent to changes in priorities of the Government on the PFMS (IFMIS) related activities, component 1 has been revised to develop a fresh implementation plan. The revised implementation plan focusing on quick wins alongside with major IFMIS enhancements is now under implementation, with early indications depicting a positive outlook.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● High	● High	● High
Macroeconomic	● Substantial	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Low	● Low	● Low
Stakeholders	● Moderate	● Moderate	● Moderate



Other	--	--	● Low
Overall	● Substantial	● Substantial	● Substantial

Results

Project Development Objective Indicators

- Timely preparation and reporting of annual consolidated financial statement after end of the financial year (month) (Core sector indicator) (Months, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	6.00	--	4.00	3.00
Date	01-Jun-2016	--	07-Nov-2017	31-Dec-2019

Comments

The financial statements of the year 2016 are prepared and submitted by Accountant General for audit in April 2017.

- Effectiveness of commitment controls aggregate excess of spending over releases, as a percentage of central Government spending (core sector indicator) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	NA	--	21.00	5.00
Date	31-Dec-2014	01-May-2017	22-Nov-2017	31-Dec-2019

Comments

Increase in deviations indicating deterioration in budget credibility in 2016

- Effectiveness of Internal Audit (number of MDAs covered by Internal Audit Reports (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	0.00	28.00	30.00
Date	31-Dec-2014	01-May-2017	20-Oct-2017	31-Dec-2019



Comments

28 Ministries have internal audit

► Timely completion and submission of audited annual consolidated financial statements to the parliament (months) (core sector indicator) (Months, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	--	6.00	6.00
Date	01-May-2015	--	22-Nov-2017	31-Dec-2019

Comments

Audited financial statements for the year 2016 were presented in June 2017

► Satisfaction of Financial reporting available to citizen (with inputs from citizen at workshops) (Percentage satisfied) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	NA	--	Not Measured till date	50%
Date	02-May-2016	--	22-Nov-2017	28-Nov-2019

Overall Comments

Intermediate Results Indicators



► Number of district councils utilizing local government IFMIS for management and reporting (ZIMREF Indicator 2.3.2) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	30.00
Date	18-Jun-2015	--	09-Nov-2017	28-Nov-2019

Comments

Most of the local councils are presently using financial management systems distinct from SAP based PFMS system at central level. Government decided to for the present continue with the local systems, and progressively explore the need for moving to central system. In the reconfigured approach, the local financial management systems will be interfaced with the central PFMS system for seamless data exchange.

► Coverage of Internal Audit (% of ministries or agencies) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	--	100.00	100.00
Date	16-Nov-2015	--	22-Nov-2017	25-Dec-2019

Comments

All the Ministries now have Internal Audit units

► Audit reports debated in the parliament (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	32.00	--	34.00	40.00
Date	09-Jun-2016	--	23-Nov-2017	28-Nov-2019

Comments

Two Audit reports are debated in Parliament during 2017 supported by PFMEP



► Citizen engagement: Number of workshops conducted (cumulative) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	19.00	20.00
Date	01-Jun-2016	--	22-Nov-2017	25-Oct-2019

Comments

One training event for media on parliament business is conducted. Public consultations for national budget for the Committee on Finance and Economic Development were conducted for 18 districts across the country. 680 (46% female) citizens participated in the consultations.

► Proportion of IGFs and relevant donor funding reported in annual financial statement (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15.00	--	15.00	75.00
Date	06-Oct-2015	--	06-Oct-2015	28-Nov-2019

Comments

Information on the current position not available

► number of staff trained, disaggregated by gender (cumulative) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	NA	--	286.00	150.00
Date	06-Jun-2016	--	22-Nov-2017	28-Nov-2019

Comments

The internal audit training of 286 included 86 female and 200 male officials trained. Breakdown is as follows: ESAAG - 6, AFIAA Conference Ghana - 5; IIA Registration and Subscription fees - 146 (CGAP -55, CIA - 25); Audit Committees - 129



► Number of audited public financial statements by private sector (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20.00	--	79.00	50.00
Date	23-Sep-2015	--	22-Nov-2017	17-Dec-2019

Comments

During 2016 and 2017, PFMEP supported 16 private firm conducted audits and Auditor General using internal resources / other sources organized another 63 private firm conducted audits

► Timeliness of submission of audit reports on consolidated financial statements (months) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	12.00	--	6.00	6.00
Date	04-Jan-2016	--	22-Nov-2017	26-Dec-2019

Comments

Auditor General submitted audit reports to the parliament within 6 months of end of financial year.

Overall Comments

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P152932	TF-A1783	Effective	USD	10.00	10.00	0.00	1.42	8.58	14%

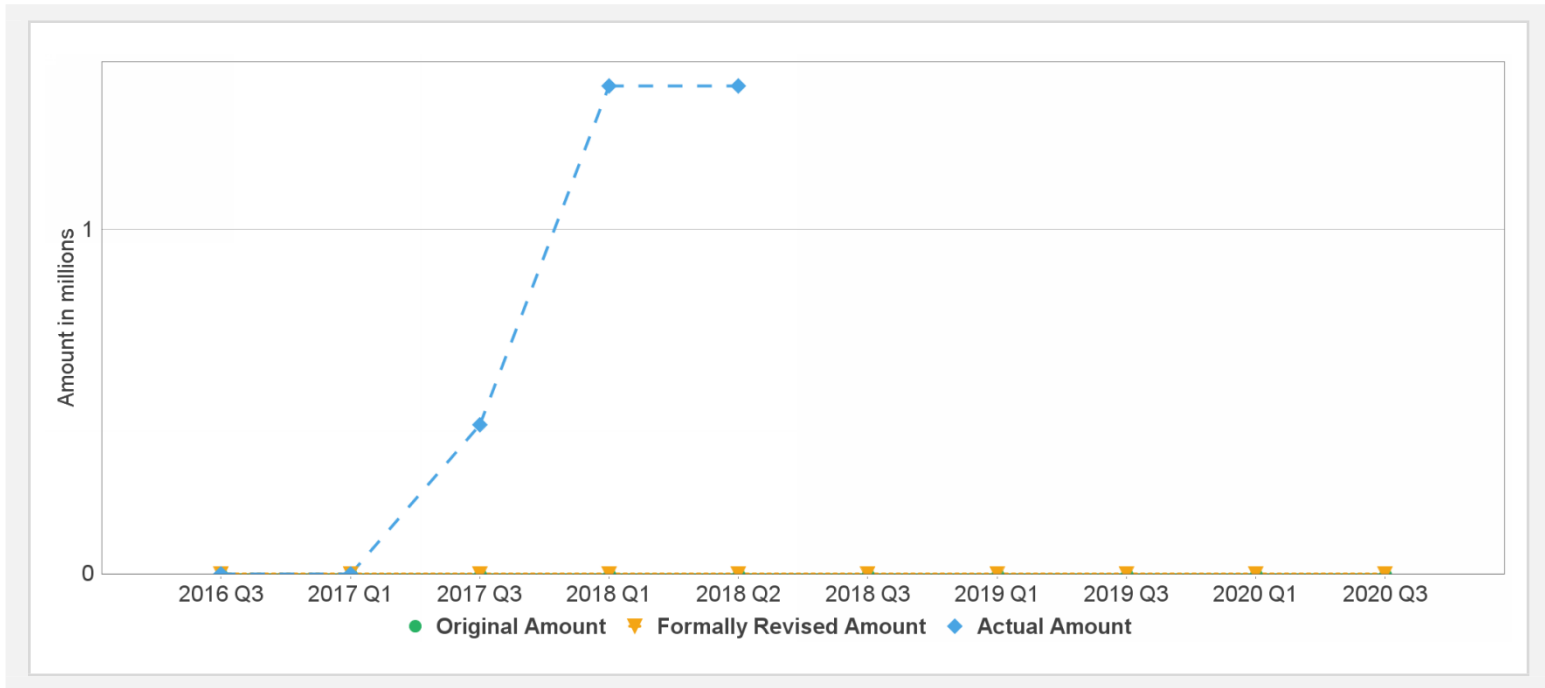
Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
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P152932 TF-A1783 Effective 24-Mar-2016 04-May-2016 24-Jun-2016 30-Jun-2019 30-Jun-2019

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.