

# **Joint Annual Report 2005**

## **European Commission – Zimbabwe**

### **Report of the National Authorising Officer and the European Commission Head of Delegation**

<b>1. EXECUTIVE SUMMARY .....</b>	<b>1</b>
<b>2. POLITICAL, ECONOMIC, SOCIAL, AND ENVIRONMENTAL SITUATION..</b>	<b>2</b>
2.1. Update on the Political Situation	2
2.2. Update on the Economic Situation	2
2.3. Update on the Social Situation	7
2.4. Update on the Environmental Situation	12
<b>3. OVERVIEW OF PAST AND ONGOING COOPERATION.....</b>	<b>14</b>
3.1. Focal Sectors	14
3.2. Projects and Programmes outside Focal Sectors	17
3.3. Utilisation of Resources for non-State Actors (NSA)	18
3.4. Utilisation of Envelope B	20
3.5. Other Instruments	20
<b>4. PROGRAMMING PERSPECTIVES FOR THE YEARS 2006-07 .....</b>	<b>27</b>
4.1. Pipeline and Absorption Capacity	27
4.2. Proposal for Revision of Strategy	28
4.3. Preparation for the Next Programming Exercise 2008-13	28
<b>5. CONCLUSIONS.....</b>	<b>29</b>
5.1 Executive Summary	29
5.2 Main Political, economic and social developments in the country	30
5.3 State of Play in implementation of the EC cooperation programme	34
5.4 Programming perspectives for the future	37
5.5 Conclusions	39
<b>6. ANNEXES .....</b>	<b></b>
6.1 Donor Matrix	41
6.2 Summary table of EC Cooperation	42
6.3 Health Sector Intervention framework with an overview of policy measures and indicators	43
6.4 Chronogram of activities	50
6.5 Indicative timetable for commitments and disbursements	51
6.6 Financial situation for 9 <sup>th</sup> EDF	52
6.7 Financial situation for 8 <sup>th</sup> EDF	54
6.8 Financial situation for 7 <sup>th</sup> EDF	59
6.9 Financial situation for 6 <sup>th</sup> EDF	63
6.10 Sector fiches, including budget support	63
6.11 Project sheets	63

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## **1. Executive Summary**

On the political situation the main events in 2005 were the Parliamentary Elections in March, the Constitutional amendment in August, the internal division of the MDC, and the Senate Elections in November. Sharp differences on the perception of these events remain between the Government of Zimbabwe and the EU. The Council extended the restrictive measures under Article 96 for another year. On a positive note, Zimbabwe signed the amended Cotonou Agreement in December 2005.

The Zimbabwean economy continued its decline in 2005, and trade flows between the EU and Zimbabwe also declined. Inflation rates surged in 2005 and continue to be a major cause of concern. Zimbabwe significantly scaled up repayments to the IMF in 2005, thus avoiding expulsion from the Fund.

The Government of Zimbabwe views the constitutional amendment as the only mechanism that could conclude the land reform programme. The EC Delegation continues to be worried about the actual implementation of the land reform programme, and notes that farm disruptions, evictions and disturbances were reported throughout 2005.

The maize production in the 2004/05 season was reduced to only 600,000 metric tonnes, equivalent to a shortfall of 1.2 million metric tonnes. A vulnerability assessment indicated that 2.9 million people were food insecure in December 2005. The value of the major cash crop harvests (tobacco, cotton, sugar) also declined in the 2004/05 season.

The growing incidence of poverty continues to be a major challenge for the country. Access to health and other social services has been reduced due to lack of staff and deteriorating infrastructure. Although the HIV prevalence rate was reduced in 2005, meeting financing and human resource needs for health and education services remains a major challenge.

Zimbabwe launched its MDG progress report in 2005. Along with the recent Poverty Assessment Study Survey, the MDG report will form building blocks in elaboration of a national poverty reduction strategy.

The EC's Humanitarian Office (ECHO) committed €15 million to Zimbabwe for the year 2005, to reduce the extreme vulnerability of population groups at particular risk in Zimbabwe.

The EC continued to support targeted food aid deliveries through the World Food Programme, providing €22.5 million for WFP operations in Zimbabwe in 2005.

Funds from EC's budget lines were implemented directly by the EC Delegation in Zimbabwe.

There are a number of projects in the pipeline, which include support to the Parliament, micro irrigation project, and trade capacity building project.

There will be no revision of the strategy for the 9<sup>th</sup> EDF A-envelope. With the approval of the Vital Health Services Support Programme and other projects, the B-envelope is exhausted. In order to meet some of the urgent humanitarian needs in the social sectors, it is therefore recommended that possibilities for increasing the B-envelope are explored.

The 10<sup>th</sup> EDF programming cycle was announced to the NAO in November 2005, and since then works on the programming exercise have intensified.

## **2. Political, Economic, Social, and Environmental Situation**

### **2.1. Update on the Political Situation**

In February 2005, the EU extended for a further year its decision of February 2002 suspending partially cooperation assistance under the European Development Fund. Furthermore, the Council extended the "Common Position" on "restrictive measures" such as the prohibition of arms supply, but also targeted sanctions, as travel ban and freezing of assets against a number of people.

It was considered by the EU that no progress had been made in meeting the conditions for re-establishment of relations. The Government of Zimbabwe has not shared this view, and has continued to feel that what it regards EU conditions and sanctions had been imposed unilaterally. Zimbabwe signed the revised Cotonou Agreement in December 2005.

Despite these differences, the EU maintained its direct support to the population in the areas of education, health, food security, small-scale irrigation, rural development and humanitarian aid. The A-envelope under the 9th EDF, amounting to EURO 108 million, remained suspended, whereas the Euro 17.7 million under the "B" envelope has been used. In 2005, EC commitments amounted to around EURO 70 millions. Funding originated both from the EDF and from the Commission's budget.

The main political highlights of 2005 were the Parliamentary Elections in March, the Constitutional amendment in August, and the internal division of the MDC and the Senate Elections in November. On a number of political issues as the Elections, Operation Murambatsvina, the Constitutional amendment, the environment of Medias, the freedom of expression and the protection of human rights, sharp differences between the EU and Zimbabwe remained.

However, both parties have maintained their availability to dialogue. The parties are currently in the process of establishing an environment allowing the above mentioned issues to be addressed.

### **2.2. Update on the Economic Situation**

#### **2.2.1. General Economic Situation**

The year 2005 saw a continued economic decline in Zimbabwe, with real GDP contracting by at least 4.2%. The economy was characterised by the following in 2005:

- Inflation continued to be a major cause of concern in 2005, undermining export competitiveness and sustainable rapid economic growth. The inflation rate, which had stabilised around 120-130% p.a. in the beginning of 2005, surged to 586% p.a. in December 2005. Inflation rates were notably fuelled by quasi-fiscal operations by the Reserve Bank of Zimbabwe (RBZ) which fuelled money supply;
- Further, rising international oil prices and shortages of foreign currency also had a contributory effect on inflation, according to the Government of Zimbabwe;
- According to the EC Delegation, inflation rates were – in addition to quasi-fiscal operations – fuelled by the government deficit and money printing in connection with foreign exchange buying by RBZ;
- The year 2005 saw the introduction of a more flexible exchange rate management system, replacing the auction system. The system, based on a market determined exchange rate, was introduced in October 2005.

- Export proceeds declined by 9% in 2005, partly because of a non-competitive managed exchange rate prevailing over most of 2005 (except October-December). Among other challenges, the drought experienced in 2005 and the poor performance of the manufacturing sector, resulted in a marginal decline in foreign currency inflows to US\$1.70 billion compared to a total of US\$1.71 billion in 2004;
- Notably quasi-fiscal operations resulted in unsustainably high interest rates, effectively crowding out availability of credit to the private sector. With the intention of boosting output and thus dampen inflationary pressures, monetary authorities maintained a dual interest rate policy, charging higher rates for consumptive and speculative borrowing, whilst productive and export sectors accessed credit at concessionary rates;
- Food shortfalls following the drought during the 2004/05 agricultural season necessitated additional expenditures to allow for drought mitigation measures to support affected communities and for grain imports. These unbudgeted drought mitigation expenditure requirements, coupled with other additional expenditures largely related to pensions and interest payments, had to be met through budgetary cutbacks across all ministries and some revenue raising measures;
- Administered prices (in certain markets such as maize, maize meal, wheat and bread), multiple fuel prices, concessionary lending facilities and a system of multiple exchange rates continued to divert resources towards rent-seeking behaviour and corrupt practices.
- Shortages of essential imports – notably fuel – hampered agriculture as well as manufacturing. Capacity utilisation in industries remain low;
- The EC Delegation is of the opinion that continued land invasions created an atmosphere of uncertainty to those engaged in farming and hampered investments. Thus, a revival of the backbone of the Zimbabwean economy – agricultural production – was unsuccessful;

Despite these overall developments, steps towards restoring relations with the IMF were taken in 2005. Thus, repayments to the IMF amounted to around US\$160 million in 2005, whereby Zimbabwe avoided compulsory withdrawal from the Fund. Efforts to address external payment arrears were not limited to the IMF, the African Development Bank (ADB) and the World Bank. Significant payments have also been made with regard to the suppliers' credits for both liquid fuel and electricity energy supplies. However, arrears to the European Investment Bank (EIB) increased to €73.6 million. Overall, external arrears increased slightly in 2005.

Government has taken concrete measures to enhance effective and responsible economic and financial management in the public sector by putting in place arrangements that engender accountability in the management of public resources.

The Public Finance Management Bill (2005) was drafted to put in place a watertight financial management legal framework and replace the current Audit and Exchequer Act and State Loans and Guarantees Act. Further, the Implementation and Control of Expenditure Unit (ICEU) was reconstituted as a fully-fledged department in the Ministry of Finance while the Public Financial Management System (PFMS) has been implemented up to provincial level in all ministries.

Main Economic Indicators are summarised in the table below:

**Table 2.1 – Main Economic Indicators**

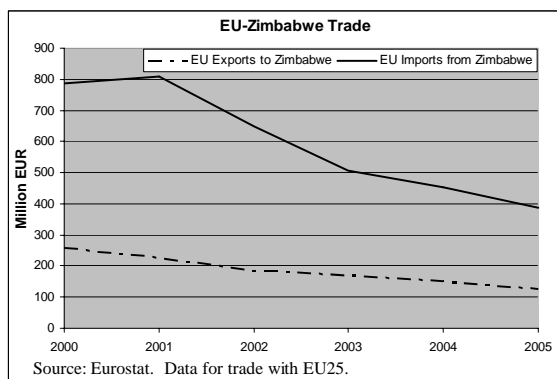
Indicator	2000	2001	2002	2003	2004	2005	2006
Real GDP growth (%)	-7.3	-2.7	-4.4	-10.4	-4.2	-4.2*	
Real GDP per capita (1990 Z\$)	1,79€	1,721	1,627	1,447	1,381	1,328	
Real GDP per capita growth (%)		-4.2	-5.5	-11.1	-4.5	-3.9*	
Population (million)	12.7	12.9	13.0	13.1	13.2	13.2*	
Population growth rate (%)		1.6	1.2	0.8	0.4	0.4*	
Gross capital formation (% of GDP)	10.6	7.3	5.5	3.2			
- of which Government (% of GDP)	0.6	1.6	1.5	2.0			
- of which Private (% of GDP)	10.0	5.7	4.0	1.2			
Foreign Direct Investments (US\$ m)	16.0	0.0	23.0	4.0	9.0	10.2	
External debt excl. arrears (US\$ m)	3,61€	3,04€	2,85€	2,70€	2,376		
External arrears (US\$ m)	471	763	1,33€	1,777	2,016	2,074	
External debt service (US\$ m)	147	109	282	368	451		
Arrears on domestic debt (% of GDP)	1.0	4.3	2.3	0.8	5.7*		

Indicator	2000	2001	2002	2003	2004	2005	2006
Inflation, annual average (% p.a.)	55.9	71.9	133.2	365.0	350.0	237.8	
Inflation, end of year (% p.a.)	55.2	112.1	198.9	598.7	132.7	585.8	
Exchange rate (Z\$/US\$, end of year)			55	824	6,200	84,58	
Government revenue (% of GDP)	24.8	19.2	17.9	24.9	33.9	42.5	
Government expenditure (% of GDP)	42.6	24.8	21.6	25.2	40.8	48.3	
Health share of budget (%)	5.3	4.5	8.7	8.9	9.2	8.7	6.3*
Education share of budget (%)	14.6	11.3	14.2	18.4	17.6	17.2	12.8*
Defence share of budget (%)	8.8	9.3	10.9	10.1	10.7	8.8	6.4*
Debt service share of budget (%)				10.7	12.6	9.1	13.8*
Budget balance (% of GDP)	-25.4	-9.8	-6.7	-0.3	-4.5	-5.8	-4.6*
Exports (fob), US\$ million	2,20€	2,114	1,80€	1,67€	1,575	1,43	
- of which agricultural (US\$ mill.)	858	833	647	516	384	336	
- of which minerals (US\$ mill.)	441	390	283	691	609	618	
- of which manufacturing (US\$ m)	815	853	706	391	621	555	
Imports (fob), US\$ million	1,907	1,791	1,821	1,77€	1,989	1,95	
Current account balance (% of GDP)	-2.3	-1.4	-3.2	-5.5	-9.3	-19.1	

Sources: Reserve Bank of Zimbabwe, Central Statistical Office, Ministry of Finance, IMF. \* Estimates

Notes: Any inconsistencies between series are a result of different sources. GDP figures in US\$ are not shown, because an overvalued exchange rate make calculations uncertain.

## 2.2.2. Zimbabwe EU Trade Relations



Trade flows between EU and Zimbabwe have declined over recent years. In 2005, imports from EU25 declined to €126 million from €153 million in 2004, whereas exports to EU25 declined to €386 million from €452 million in 2004. Thus, Zimbabwe's trade surplus with EU25 declined from €299 million in 2004 to €260 million in 2005; cf. the figure to the left.

Zimbabwe is currently negotiating Economic Partnership Agreements in the Eastern and Southern Africa (ESA) Configuration. The

first exchange between the EU and ESA at Ambassadorial/Director General level (phase two negotiations) started in earnest in October 2005.

In preparation for the negotiations, Zimbabwe works through the National Development and Trade Policy Forum (NDTPF) subcommittees on each of the six clusters. However, the subcommittee meetings agenda has not moved forward because of a crippling shortage of funds to finance studies. Zimbabwe, however managed to carry out a study on the impact of EPAs on the Agriculture sector in Zimbabwe. Subject to availability of resources, Zimbabwe still needs to carry out other studies and stakeholder consultations.

Zimbabwe exports sugar to the EU under the EU sugar protocol. Adjustment of sugar prices under the EU sugar regime could potentially damage Zimbabwe's sugar exports resulting in lower export earnings, and the industry and Government are concerned.

The terms of reference for an EC-supported adaptation strategy elaboration in light of the changes to the EU sugar regime are at an advanced stage and it is expected that the strategy elaboration process commences in the first part of 2006. Since Zimbabwe is one of the most efficient sugar producers among signatories to the protocol, the strategy elaboration will – among other things – assess potential opportunities (through increased exports as a result of the EU sugar regime changes) for Zimbabwe.

Zimbabwe will host the ESA Regional Meetings from 30 January 2006 to 2 February 2006 and the ESA-EU Joint Meeting on 3rd February 2006.

Zimbabwe signed the revised Cotonou Agreement, and in that regard, the Ministry of Industry and International Trade has lined up a number of meetings to sensitise stakeholders on the issues in the Cotonou Agreement.

### **2.2.3. Agricultural Situation**

#### *Land Reform Situation*

The objectives of the Land Reform and Resettlement Programme for the past five years were to acquire in excess of 11 million hectares from the large-scale commercial farming sector for redistribution. The other objectives were to:

- Decongest the over-populated villages for the benefit of landless Zimbabweans;
- Indigenise the Large Scale Commercial farming sector;
- Reduce the extent and intensity of poverty among rural families and farm workers
- Increase the contribution of the agricultural sector to GDP and foreign currency earnings;
- Promote environmentally sustainable utilization of land agricultural and eco-tourism;
- Develop and integrate small-scale farmers into the mainstream of commercial agriculture;
- Create conditions for sustainable economic, political and social stability.

The recent constitution of Zimbabwe Amendment (No. 17) Act, 2005, which came into force on the 14<sup>th</sup> of September 2005, was considered by the Government of Zimbabwe as the only mechanism that could bring about definitive conclusion to the process of acquiring land for resettlement purposes. The constitution Amendment removed all legal hurdles that were curtailing the speedy implementation of the land reform programme.

In the area of land acquisition, major achievements were noted by the successful gazetting of 6,482 farms measuring 10,449,359 hectares. The passing of the recent Constitution of Zimbabwe Amendment (No. 17) Act of 2005 facilitated the total transfer of the gazetted farms into state land. For valuation, the major achievements are the inception for valuation of 3,500 farms, production of 1,109 valuation reports, which have been approved by the

Compensation Committee and compensating of 187 for immovable improvements. Idle farm equipment and material is being acquired in terms of the Acquisition of farm equipment and Material Act (Chapter 18:23) No. 7 of 2004, for the benefit of the land reform programme.

Since the inception of the land reform programme, 14,856 beneficiaries were allocated land under model A2 on a total of 2,681,642 hectares and 140,866 beneficiaries were also resettled under model A1 on 4,236,076 hectares of land.

A1 farmers were issued with provisional letters by Ministry of Local Government whilst A2 farmers were given offer letters by the Ministry of Lands, Land Reform and Resettlement.

Modalities for security of tenure are still being processed, as this requires rigorous vetting of farmers for issuance of permits and leases. So far, 71 whole farms have been submitted for lease diagrams and 715 A2 subdivisions have also been submitted for title surveys to the Surveyor General's Office.

The EC Delegation notes the objectives of the land reform programme, but also notes that the programme has yet to deliver on many points. The EC Delegation continues to be worried about the actual implementation of the Land Reform Programme and the transparency of the process surrounding the acquiring of farm equipment.

The EC Delegation is concerned over the fact that legislation related to title or lease agreement to the land, which is necessary for farmers to legally work and invest, was not adopted in 2005. The EC Delegation also notes that despite repeated calls from the Reserve Bank of Zimbabwe (RBZ) and the Ministry of Finance (MoF) to put an end to farm disruptions, farm evictions and disturbances were reported throughout 2005.

#### *Agricultural Production*

The area under crop production has continued to increase as more people get access to land while productivity (output per hectare) has decreased due to persistent droughts and other challenges including difficulties in accessing tillage services and critical inputs such as seed, fertilizers and chemicals.

Due to factors mentioned above, the 2004/05 season saw a reduction in the amount of maize harvested which stood at around 600,000 metric tonnes (mt), equivalent to a shortfall of about 1.2 million mt.

The tobacco production increased slightly by about 8%, but the value of the harvest declined by about 14% (US\$19 million).

Cotton production is estimated to have declined by 41% from 333,000 tonnes in 2004 to 196,000 tonnes in 2005. Because of the poor cotton prices, the RBZ availed support prices to ensure sustainability and viability of this sector. The EC Delegation questions the impact of support prices on the viability of the cotton sector.

Sugar output is estimated to have declined by 19.8% from 536,000 tonnes in 2004 to 430,000 tonnes in 2005, while wheat production is estimated to have increased by 68.8%, to 135,000 tonnes in 2005 from 80,000 tonnes in 2004. According to the Government of Zimbabwe, the increase in wheat production were mainly because of government intervention improving the supply of critical inputs such as fertilizers to the farmers and also improved farming practices on the part of farmers. The EC Delegation is of the impression that too little was done too late regarding the supply of fertilizers, and further notes that some reports claim that the 2005 wheat production was 90,000 tonnes.

Irrigation developments and rehabilitation is being given high priority as agricultural officers have been sent at ground level especially for the rehabilitation programme to be effectively



carried out. More tillage equipment has been secured from local suppliers as well as under various bi-lateral trade arrangements for use in the farming areas and efforts are on going to secure more.

The key risk factors in agriculture include the following: Incessant rains which may not give room for planting and weeding might affect agricultural output, shortages of critical inputs such as fertilisers and chemicals and a low Extension Officer/farmer ratio which might affect crop yield and quality. The EC Delegation finds that issues related to tenure as well as issues related to e.g. subsidised fuel and concessional lending – which do not provide farmers with incentives to produce – are more important risk factors.

### *Food Security Situation*

As agricultural production continued its decline for the fifth consecutive year, the food security situation worsened throughout 2005. Nevertheless GoZ and donors managed to import sufficient food to avoid a major food shortage. However, as incomes increased slower than food prices, rural as well as urban populations were left increasingly vulnerable.

The poor rains that affected the Southern Africa region affected the country's food security situation. The near drought situation compromised the production of the main food crops that include maize and other small grains.

The poor rains also affected the water levels in rivers and dams for the irrigated winter wheat crop. As a result, wheat production was also subdued.

The government strengthened the operations of the Grain Marketing Board to improve on grain distribution to affected areas. More grain was secured through imports from the region. NGO's were also involved in food distribution to affected areas.

The combination of frequent droughts, limited production capacity for critical inputs and shortage of foreign currency for critical imports present a big challenge to the country and retards the transition towards social and economic recovery.

The 2005 Zimbabwe Vulnerability Assessment that was carried out by ZIMVAC indicated that by December 2005, a total of 2.9 million people were food insecure. Government intensified the Public Works Programme through an allocation of Z\$150 billion from the 2005 Budget. An additional Z\$150 billion was allocated through the supplementary budget to cover for December 2005 to March 2006. The donor community also came in to assist. The bulk of the food came in through WFP and was distributed through its NGO implementation partners.

## **2.3. Update on the Social Situation**

### **2.3.1. General Update on the Social Situation**

The growing incidence of poverty continues to be a major challenge for the country. Preliminary results from the Second Poverty Assessment Study Survey (PASS II) confirmed increasing poverty levels. The proportion of population below the Food Poverty Line increased from 20% to 48% between 1995 and 2003 whilst those below the Total Consumption Poverty Line increased to 63% up from 42% over the same period.

To illustrate the growing incidence of poverty, the Central Statistical Office estimated that a family of five needed Z\$17.3 million per month in December 2005, in order *not* to be deemed poor (the Total Consumption Poverty Line). This amount compares to a teacher's salary of Z\$9 million per month, after the revision in January 2006.

Access to health and other social services has been reduced due to lack of staff and deteriorating infrastructure. The recent reduction in HIV prevalence was a positive development. However, the Government, with the co-operation of the EU, still faces a major struggle to meet financing and human resource needs for health and education services delivery to the Zimbabwean population.

Traditional infectious diseases continue to flare up; in 2005 Harare experienced its first ever outbreak of cholera due to major deterioration in water and sanitation infrastructure.

In response to the worsening poverty situation, Government has put in place a number of initiatives to reverse the situation. The country's Millennium Development Goals (MDG) progress report was launched by the President in September 2005, reaffirming the country's commitment to poverty reduction. The process marked the beginning of a wider campaign that will cascade down to community level and instil localisation of the MDGs and enhance community ownership of the process. The MDG report, the PASS II results and Macro Economic Frameworks in place form the building blocks into the production of the country's National Development and Poverty Reduction Strategy and other Social Protection programmes. Production of the NDPRS has already started and a concept paper has been produced. Government will also undertake the Social Sector Expenditure Review that will provide base-line information for formulation of appropriate policies as well incorporating the involvement of non state actors in the area of social protection, social expenditures and poverty reduction in the country.

Initiatives have also been made to mainstream the disabled in the economic activities. The Disability Loan Revolving Fund that was put in place has continued to get support from the Government. In the 2005 budget, the fund was allocated a total of Z\$3 billion and a total of 121 projects valued at Z\$2.2 billion were approved as at the end of December 2005.

**Table 2.2 – Core Millennium Development Goal Indicators**

	Actual								Projection		Target
	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2015
1. Proportion of population below Total Consumption Poverty Line (%)	33.0	56.0				63					16.5
2. Prevalence of underweight children under five years of age (%)	13.0	17.0	13.0		20.0	17.1					6.5
3. Under-five mortality rate per 1000	80.0	90.0	117.0			126.0					26.7
4. Net enrolment ratio in primary education (%)	85.7	82.0	80.6	82.7	93.0	94.7	96.6				100.0
5. Proportion of pupils starting grade 1, who reach grade 5 (%)	92.4	75.0	75.0	73.2	69.5	67.3	67.6				100.0
6. Ratio of girls to boys in											
- primary education (%)	99.0		97.0	97.0	98.0	98.0					100.0
- secondary education (%)		87.0	88.0	89.0							100.0
- tertiary education (%)			59.0	58.0							100.0
7. Proportion of births attended by skilled health personnel (%)	76.0	87.0	73.0					80.0			85
8. Proportion of 1 year-old children immunized against measles (%)	87.0	87.0	70.0	68.0	58.0	80.0	86.3	90.0			90.0
9. HIV prevalence rate, pregnant women aged 15-24 years (%)			32.0		20.8		17.4				16.0
10. Sustainable access to an improved water source (% of pop.)	77.0				83.0						88.5

Sources: Zimbabwe MDGs, 2004 Progress report; <http://millenniumindicators.un.org/>

Developments in the core set of ten key Millennium Development Goals (MDGs) indicators identified by the Commission are shown for Zimbabwe in Table 2.2 above. Most indicators,

for which sufficient observations are available, show declining or steady trends. Given the economic decline over the past five years, such development is not surprising, however unfortunate. Of more specific reasons for this bleak picture can be mentioned:

- International support, including from member states, to the domestic health- and education sectors has been falling. This is particularly true for HIV and AIDS support, where Zimbabwe is among the countries receiving the least assistance per capita. Zimbabwe was for a long time excluded for political reasons from the UN global fund, according to the Government. The EC Delegation maintains that the national structures put in place to cope with the pandemic previously fell short of the requirements of the Global Fund;
- The share of government spending on health and education has decreased in recent years (cf. Table 2.1), as has the absolute value of spending on social sectors. Combined with increasing poverty levels following the economic decline and increasing unemployment rates, this means that there is less public and private money to spend on social sectors;
- Finally, the economic decline has led to a brain drain in social sectors, resulting in low rates of filled posts for doctors, nurses, teachers etc. and consequently worsened service deliveries in the social sectors. However, the Government of Zimbabwe is of the opinion that the staff movement from south to north has nothing to do with the economic decline as this movement is common even in countries recording high economic growth.

This somewhat bleak picture of developments in the ten core MDG indicators shows the severity of the Zimbabwean challenge, and calls for targeted efforts to perform better on – if not reach – the MDGs by 2015.

### **2.3.2. Health Situation**

An overview of the health situation in Zimbabwe, using MDG indicators, is shown in Table 2.2 above. However, the provisos regarding shortage of staff and quality of data remain as already mentioned in the JAR 2004. It should be noted that the health related MDG targets will not be achieved without continued substantial increases in GDP – a situation that is difficult to achieve given the current situation in Zimbabwe.

The under-five mortality rate has increased recently and stood at 126‰ in 2003. Prevalence of malnourishment in children has dropped in 2003 to 17.1%. Skilled attendance at birth stood at 80% in 2005. The slump of Expanded Programme on Immunisation (EPI) coverage in 2002 resulted in a measles outbreak. The EPI coverage has however picked up to 90% in 2004.

Other health indicators, such as maternal mortality and infant mortality rates have also deteriorated. Maternal mortality increased from 280 per 100,000 live births in 1994 to 695 in 1999 and further to 1,068 in 2002. Infant mortality increased from 66 per 1,000 live births in 1992 to 80 in 1997. More accurate figures for maternal mortality rates and infant mortality rates will be available from the 2004 Zimbabwe Demographic Health Survey (ZDHS), which will be available in the latter part of 2006.

Zimbabwe conducts HIV sentinel surveillance of pregnant women attending public health institutions biannually. The overall HIV prevalence among women aged 15 and 49 years decreased from 25.7% in 2002 to 21.3% in 2004. A similar decline was observed in 15 to 24 year age group where prevalence declined from 20.8% in 2002 to 17.4% in 2004.

The Young Adults survey of 2001-02 among young aged 15 to 29 years reported that 62.6% of women and 86.3% of men had never received information on HIV and AIDS. Overall, 69% of women and 95% of men who were sexually experienced knew where to get male condoms. However, 36% of women and 28% of men knew where to get female condoms.

There has been a significant scaling up of HIV and AIDS prevention, care and treatment programmes within the Ministry of Health and Child Welfare since 2003 despite limited donor funding. A total of 52 sites were offering antiretroviral treatment and an estimated 25,000 patients were on treatment as at the end of 2005.

The HIV and AIDS epidemic has exacerbated the growing number of orphans. In 2005, it was estimated that the number of orphans due to AIDS had reached 1.14 million, most of which had become orphaned over the past four years. Further, at the end of 2003, it was estimated that 165,000 children (0-14 years) were HIV positive, equivalent to more than 20% of the child population. In response, Government has put in place the National Plan of Action (NPA) for Orphans and other Vulnerable Children (OVC). The NPA seeks to reach out to all OVC with basic social services that will impact positively on their lives. A programme of support to the NPA, which is already in place, will also allow for resource mobilization and consolidate programmes that are in place to assist vulnerable children such as Basic Education Assistance Module (BEAM) and Children in Difficult Circumstances Fund (CDC).

The critical dearth of qualified health personnel in the sector remains unchanged from 2004. Of the 1,652 established posts for doctors only 735 (44.5%) are filled (cf. Table 2.3), equivalent to 5.6 physicians per 100,000 people. Information on the number of expatriate medical doctors was not made available. The particularly dire situation with regard to pharmacists (only 25.5% of the posts are filled) and pharmacy technicians has serious implications for drug management and the further rollout of anti-retroviral treatment (ART).

The previous shortage of essential and basic drugs in the country was improved by the EU contribution, but remains problematic throughout the country. Available supplies are evenly distributed. The blood supply to the health service is regarded as safe.

**Table 2.3 – Health Personnel – 2005**

Staff Category	Establishment	Staff in post		Vacant	Ratio of filled posts
		2004	2005		
Medical Doctors	1,652	770	735	917	44.5%
Dentists	62		24	38	38.7%
Nurses	14,248	9,680	8,775	5,473	61.6%
Pharmacists	137	20	35	102	25.5%
Pharmacy technicians	196	72	88	108	44.9%
Radiographers	169	29	30	139	17.8%
X-ray operators	68		27	41	39.7%
Environmental health officers and technicians	1,618		693	925	42.8%
Laboratory scientists	504	263	259	245	51.4%
Hospital equipment technicians	95	40	40	55	42.1%

Source: MoHCW. Note: Figures are for both government and mission Health Institutions.

It was reported in 2004 that the proportion of population with access to an improved water source was 87%. However reports from 2005 (UNICEF and others) note the impact of recent environmental disasters and the land reform programme; that gains made in the 1990s have been eroded and thousands of rural people are without access to safe water and sanitation.

Official data on water coverage in official resettlement was not available. However, the EC Delegation notes that one report claims that water coverage in official resettlement areas for 300,000 people is around 11% and sanitation coverage is below 1%.

National coverage estimates can hide marked provincial and district variations; even at district level estimates can lead to a misplaced complacency.<sup>1</sup> Organisations active on the ground note that even in districts where coverage is reported to be high, there can be substantial pockets where the opposite is the case.

In light of the above, a new Vital Health Services Support Programme was prepared by the EC in collaboration with the Ministry of Health and Child Welfare (MoHCW) and was recently approved. This will build on the previous work but will include a greater emphasis on alleviating the human resource shortages and on increasing access to ART.

### **2.3.3. Education Situation**

Table 2.2 above shows the core MDG indicators (4, 5, 6) relevant for the education sector.

School buildings and teaching environments have deteriorated over the period. There is a lack of textbooks, copy books and basic teaching equipment. Sanitation and water and electricity supplies are compromised by inadequate maintenance budgets and management skills.

The proportion of pupils starting grade 1 and reach grade 5 has declined in recent years, to 67.6% in 2004. The ratio of girls to boys has remained constant. The girl child still needs special attention in order to achieve gender balance. According to GOZ, Zimbabwe's progress towards achieving universal education appears under threat, especially when current population movements into newly resettled areas, high staff attrition levels, and the impact of HIV and AIDS are taken into account. The national MDG progress report mentions inadequate financing of education as one of the main challenges for achieving universal primary education.

Children affected by HIV and AIDS either directly or indirectly by death or illness in the family are increasing in number and are more vulnerable to absenteeism due to acquired household responsibilities and lack of income for school fees. Concerning OVC's access to education, in the 10-14 age group is generally registered high attendance for both orphans and non-orphans, whereas, the average secondary drop-out rate is around 17%. The gap between OVC and non-OVC is greater in secondary drop-out rate than in primary drop-out rate. OVC are twice as likely to have dropped out from Form 4 as non-OVC. Baseline data on knowledge and the impact of HIV and AIDS amongst the teacher population is inadequate, but is, like all other sectors, heavily burdened by the high attrition rates due to the HIV and AIDS pandemic.

The majority of the schools (73%) are under Rural District Councils who do not have sound revenue bases to enable them to develop and maintain the schools at acceptable levels for effective teaching and learning to take place. Communities through their School Development Committees are the major players in the development of these schools. The prevailing economic hardships have seen communities' contributions towards school development decreasing drastically. As a result, the following continued to prevail in the majority of schools:

- inadequate provision for the teaching and learning of technical/vocational subjects;
- inadequate provision for the teaching and learning of Science and Mathematics;
- inadequate provision of infrastructure and furniture in schools.

Although the Ministry decentralised Quality Assurance to districts, supervision of schools was hampered by the shortage of vehicles and fuel.

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<sup>1</sup> According to the 2002 census, protected water coverage in Chikombe District is 74% but at enumeration area (EA) level it is only 38%; for sanitation coverage the district coverage is 65% while at EA level this falls to 24%.

Efforts continued to be made to ensure that the girl child and other vulnerable children are not disadvantaged. However, the ratio of girls to boys remained constant. The number of children infected and affected by HIV and AIDS continued to rise. The majority of teachers have little or no knowledge on how to handle such situations. In some cases, deaths of pupils have caused trauma amongst pupils and teachers with very little counselling offered because of the shortage of counsellors in schools.

Interventions meant to benefit children affected by HIV and AIDS and OVC's have not been adequate enough to keep them in school. Where fees and levies are paid, "pull" factors like shortage of food and taking care of siblings at home remained unaddressed.

The following were some of the achievements in the education sector for 2005:

- Increased number of learners with disabilities accessing mainstream education
- Reduced pupil-braille textbook ratio from 1:14 to 1:8
- Increased number of focused group discussions in which children participated on issues pertaining to child abuse.
- Increased number of Girls Education Movement clubs, which focus on empowering girls with leadership and life skills.
- Trained over 2,000 teachers in HIV and AIDS, Gender and Counselling and are now offering psychosocial support to orphans and other vulnerable children in their schools.
- Established 2,866 early childhood Development Centres at existing primary schools throughout the country.
- Appointed substantive District Education Officers to 50 out of 71 districts.

The Government increased the allocation of its Basic Education Assistance Module (BEAM) from Z\$3.5 billion in 2004 to Z\$190 billion in 2005. This increase should be seen in light of the very high inflation environment. The programme benefits orphans and other vulnerable children by paying their fees and levies so that they remain in school.

## **2.4. Update on the Environmental Situation**

### *Major Environmental Problems*

Zimbabwe is undergoing economic hardships which have negatively impacted on the environment as the majority of the populace turn to land and natural resources for economic survival. The early stages of the land reform programme saw an increase in the rate of land degradation, deforestation and poaching of wildlife but measures have since been put in place to curb these negative impacts, but no reporting on its success.

Contraction of agricultural and manufacturing output has caused the economy to shrink by around 30% over the past five years. This has increased poverty leading to environmental problems in the areas of deforestation, gold panning, and informal activities leading to unsafe water disposal, as the population tries to cope with the unfavourable macro-economic environment.

Zimbabwe suffers from recurring droughts, floods and severe storms.

### *Tourism*

Zimbabwe's tourism industry is among the top four foreign currency-generating sectors of the economy. The industry has been growing steadily since independence (1980) and it reached its peak in 1999. Since 2000 the industry has been facing challenges that have seen the industry suffering in terms of tourist arrivals (which dropped from 1.85 million in 2004 to 1.56 million in 2005) and receipts. This was due to the negative perceptions about the

country emanating from the land reform programme. Furthermore, an overvalued exchange rate has made Zimbabwe an expensive tourist destination compared to neighbouring countries, and the quality of some tourism facilities have deteriorated.

#### *Impact of Land Reform on Wildlife Resources*

Zimbabwe has a strong environmental policy, legislative and institutional framework but faces difficulties in terms of resources in order to successfully implement these. The estimated 60-70% change of ownership in wildlife management has led to destruction and fragmentation of wildlife habitats through land clearing for agricultural purposes and encroachment into wildlife protected areas, including conservancies (negative impact on MDG indicator no. 31: land area protected to maintain biological diversity).

#### *Air Pollution*

Air pollution is a big problem, especially in major urban areas. The major pollutant is carbon monoxide from vehicle emissions as a result of the old stock. Sulphur dioxide pollution is increasingly becoming a major concern. In Harare sulphur dioxide levels exceed WHO maximum permissible levels by over 70%.

#### *Water Pollution*

Rapid urban population growth has seen overloading of sewerage systems in the major urban areas. (Negative impact on indicator 33 of MDG: proportion of people with sustainable access to an improved water source).

#### *Groundwater Pollution*

Groundwater pollution is increasingly becoming a problem, especially around major urban settlements. This problem has been exacerbated by the rise of the informal sector that has increased illegal waste dumping. Poor landfill management has also worsened the situation.

### **3. Overview of Past and Ongoing Cooperation**

#### **3.1. Focal Sectors**

##### **3.1.1. Health Sector Support Programme**

###### *a) Results*

Following the General Affairs Council Decision of 18 February 2002 the programme of co-operation with the GOZ was reoriented with a Rider in 2003 to ensure EC support was targeted toward direct benefits to the population. The approach of targeting the population directly has had a significant positive impact on various measures of co-operation in the health sector. EC support was geared towards strengthening of district health services through support to drugs, vaccines, and to support the Health Services Fund.

The goals of the National Health Strategy 1997 to 2007 (NHS) remained fundamental to the design of health interventions in the public sector. There is a priority focus on decentralisation. In the 2004 EC Financing Agreement with GOZ, the GOZ committed itself to increase the proportion of the annual budget to the health sector. This commitment has *not* been met, as the allocation to the MoHCW as share of total government budget was reduced from 9.2% in 2004 to 8.7% in 2005 (revised budget). The 2006 share is even lower at 6.3%.

The 2004 EC Financing Agreement with GOZ was, however, met in the following areas:

- The policy of decentralisation to empower the structures and stakeholders in the public health sector at district level received support through the Health Services Fund (HSF). Meeting the conditions of the Financial Agreement, the GOZ allocated Z\$19 billion in 2005.
- While the Reserve Bank of Zimbabwe made US\$7.7 million available for drugs in 2004 compared to US\$60,000 in 2003, in 2005 only US\$2.5 million was made available. This is challenging the re-capitalisation of NatPharm.

Additionally, in Programme I + II, EC and GOZ co-operation recorded the following results:

- EC support to procurement through NatPharm (a non-profit parastatal to procure and sell drugs to health institutions) contributed to making essential drugs, vaccines and medical supplies available at national and health facility level. It has also contributed to the improvement of operational, logistics, management and supplies systems in NatPharm. The EC was the major donor, providing over 60% of the available essential drugs in the public sector, filling about 30% of the needs. The findings of the external monitoring system showed a continued safe and equitable distribution nationwide, with an increased time span between orders and delivery, even now that trucks have been made available.
- National Blood Transfusion Services continued receiving supplies.
- The programme supported the education of 211 Primary Care Counsellors to function at district level in order to mitigate the effects of the HIV epidemic and prevent the spread of the virus. Furthermore, nurses were trained in STI management.
- The National Health Board to deal with health staff issues including salaries has been made operational.

###### *b) Progress in Activities During 2005*

The purpose of this programme is to support people's increased access to affordable quality health services and in particular, to district health services. Programme implementation began in 2000 and will end by 30 September 2006 (HSSP II was extended in 2004). Progress was



satisfactory and collaboration was productive with the line Ministry. The programme supports the procurement of essential drugs and supplies, and the refurbishment of the National Blood Transfusion Service (NBTS) through purchase of supplies and equipment necessary to continue to deliver on its core business.

Commitments for essential drugs, vaccines, vehicles and test kits valued at €16 million were conducted on time and appropriately. Payments amounted to €1.6 million.

The procurement of essential drugs continued to be efficient, as prices obtained were lower than listed in the International Price Indicator Guide. The pace of the procurement and delivery was slowed down. Anticipated shortages in some items, like anti-TB drugs could be addressed through co-operation with DFID/UNICEF. Programme administration and management and technical assistance were more than satisfactory.

A successor programme was prepared, submitted to EC Headquarters and positively accepted by EDF Committee. The focus remains on essential drugs, including ARVs, while the support for Human resources issues was increased.

The EC support for the health sector, particularly HIV and AIDS, through NGOs was fully harmonised and aligned with the national policy and action plans.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

The supply of essential drugs is an important contribution to the alleviation of the HIV and AIDS epidemic in the prevention, treatment and control of HIV and AIDS.

The support to management and health services fund at district level has led to improved institutional prioritisation at the level of health service delivery close to the population.

### **3.1.2. Education Transition and Reform Programme**

#### *a) Results*

2005 saw a marked improvement in the performance of the programme. This can be attributed to the experience gained by the technical team through the years as well as the reinforcement of staff through the recruitment of additional field staff to monitor implementation of the main programme components.

Programme operational costs increased by about 45% from the initially planned expenditure during the year. This was due to the economic decline which was characterised by price escalations for goods and services.

In 2005 the Ministry of Education, Sport and Culture implemented some of the recommendations made by the 1998 Presidential Commission of Inquiry into Education and Training. Some of these include:

- The provision by the state of education and training schools in all disadvantaged areas such as farms, resettlement and rural areas as a matter of urgency which resulted in new schools being established on farms and resettlement areas. This has seen ETRP supporting a number of satellite schools in Binga, Buhera, Mudzi and Mwenezi.
- The establishment of Early Childhood Development (ECD).
- This has been supported by the enrolment in 2005 of the first group of trainee teachers at Seke Teachers College who specialise in early childhood development. This ushered a new era in the history of the education sector that will see an extended nine-year primary education from the traditional seven. This has entailed that ETRP now extends its support

to the 'zero grades'. The implication is that additional resources will be provided by ETRP to support the education of these children.

- A substantial increase in budgetary allocation to education and training and that the funding of basic education for all should be a major priority. The budget for the education sector has been going up in absolute terms but the real figures have gone down. The economic decline and increased poverty have presented many challenges in the education sector which require additional funding.
- The mother tongue should be the medium of instruction at lower grade levels. This means that ETRP will support the procurement of teaching and learning materials in minority languages in areas like Binga.

Programme staff also received development courses in environmental integration, gender and EDF procedures.

An external monitoring mission was held in August 2005 and it found that ETRP was much more relevant given that the economic decline had reduced further the government resources on education as well as the ability of the parents to pay towards the education of their children.

The Delegation donated two vehicles to assist in monitoring and supervision in schools.

#### *b) Progress in Activities*

##### *Institutional capacity building*

The programme continued to strengthen the capacity of district and school officials through staff development. 245 Grade Seven teachers were trained in syllabus interpretation, setting and marking of tests from Mudzi, Buhera and Chilimanzu and manuals on the subject were issued to all trained teachers. 175 school heads and SDC members were trained in financial management and accounting and a manual on the subject was developed printed and distributed to all schools in an attempt to bring sanity financial management in schools. Data collection and analysis using ED 46 forms was carried out together with the Ministry of Education, Sport and Culture.

##### *School Improvement Grants*

Three tranches of school improvement grants worth 1.1 Million Euros were disbursed in 2005. Each tranche benefited about 172,000 children. This follows the decision made by the NAO and the Delegation to increase the disbursement of funds in order to increase their impact. Funds continued to be disbursed late during the school term thereby giving schools little time to plan and implement their activities. Monitoring was also intensified to ensure that schools were using the resources efficiently.

##### *Targeted support for disadvantaged children*

Computerized databases with over 10,000 children have been developed at district level and these are used for selection purposes. This database also includes girls in difficult circumstance and orphans.

7,577 needy children benefited from vouchers and scholarships, stipends and school uniforms. 112 pupils benefited from assistive devices that included among others wheelchairs, sunhats, sunscreen lotions, corrective surgery, artificial limbs, spectacles, special shoes, callipers, blankets and drop splints. This improved attendance and also aided the disadvantaged children in their day to day activities.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

Six HIV and AIDS awareness campaigns on improved behavioral change were held in six districts namely Mudzi, Buhera, Bindura, Chegutu, Mwenezi and Chilimanzi reaching more than 10,000 people – including children, teachers, parents and community leadership.

A total of over 400 people who included teachers, parents, church leaders, community leaders and girls were trained in advocacy for girls' education in order to improve the girls' enrolment in schools, to improve the transition rates of girls from primary schools to secondary education and to improve the pass rates for girls.

## **3.2. Projects and Programmes outside Focal Sectors**

### **3.2.1. Micro Projects Programme (MPP)**

#### *a) Results*

The overall achievement under the last phase of the 12<sup>th</sup> MPP can be considered satisfactory despite the handicaps arising out of the unfavourable operating environment. The programme has concentrated on the education and health sectors as these continue to be prioritised by local communities and are less affected by the current socio-economic situation than rural development projects such as irrigation schemes which are very costly. However, the sustainability of recent projects is a cause for concern given the general decline in Government resources for the health and education sector.

The increase in poverty levels, coupled with the HIV and AIDS has resulted in reduced participation by beneficiaries who often struggle to contribute towards the project costs. To improve the situation, the macro-economic problems must be addressed and there is need for increased support from technical ministries and local authorities if the level of community contributions is to be maintained or increased.

Programme operational costs increased by about 620% from the initially planned expenditure during the year. As in 2004, the decline of the economy further resulted in price escalations for office rentals, fuel, vehicle repairs and communication thereby pushing up the ratio of administrative expenditure to projects during the year.

In terms of organisational challenges, the programme had capacity problems due to the fact that some critical posts were not fully functional due to illnesses.

The Financing Agreement for the 13th MPP was signed and the programme started in July 2005 with an allocation of €8 million over 3 years. This considerable funding decrease (€2.8 million had been allocated to 12th MPP) is due to current no further availability of funds.

#### *b) Progress in Activities*

In terms of project implementation, project monitoring was intensified to allow the completion of all on going projects. No new commitments were made with the exception of cost extensions amounting to €906,977.72 which were meant to provide additional resources for the uncompleted projects. Programme monitoring in the first quarter of the year was affected by the fuel shortages and the parliamentary elections.

There were a total of 245 ongoing projects in 2005 of which 120 were closed by the end of the year, leaving a total of 125 on going projects. Of the 125, 13 were rural development, 82, education and 30 rural development projects. The number of on going education projects was caused by the delays in the implementation of the furniture projects. Primary school projects

for the supply of furniture were not implemented due to the cancellation of the contract as suppliers frequently adjusted their prices resulting in the cancellation of the contract.

Joint monitoring visits were also undertaken by the Microprojects Programme (MPP), Zimbabwe Developing Communities Programme (ZDCP), the Education Transition and Reform Programme (ETRP) and the Delegation to projects in Manicaland and Mashonaland Central. There was also an external monitoring mission in August 2005 which affirmed the relevance of microprojects given the deteriorating macro-economic environment.

Programme staff also participated in staff development courses organised by the Delegation on Gender mainstreaming, Environmental Integration, and EDF procedures.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

Due to the fact that 2005 mainly focused on the monitoring and closure of on going projects, not much was achieved in the integration of cross cutting issues.

### **3.3. Utilisation of Resources for non-State Actors (NSA)**

#### **3.3.1. Zimbabwe Decentralised Cooperation Programme (ZDCP)**

The main programme through which NSAs (Non State Actors) access EDF is the Zimbabwe Decentralised Cooperation Programme. The overall objective of this programme is to alleviate poverty by the sustainable improvement of both the livelihoods of poor and disadvantaged rural and urban communities and the capacities of NSAs in service delivery, policy research and advocacy through coordinated poverty-focused processes and projects. Support is focused on community driven initiatives in the sectors of health, education, food security and economic empowerment as well as capacity building of NSAs at all levels.

##### *a) Results in 2005*

The name of the programme was changed to Zimbabwe Developing Communities Programme to reflect its focus on community development. The new financing agreement, for a total contribution of € million, was signed in December 2004 and implementation began in January 2005. In this second phase, the Programme is expanded to 5 new districts and 10 new wards. This will result in the project operating in 10 districts and 20 wards. Implementation started on a low note as a result of the key posts, National Co-ordinator and Finance Manager, being vacant. These were subsequently filled in the second and third quarters of the year.

Seven projects were carried over from phase 1 as they could not be completed during that phase because of the continuing inflationary environment, which increased costs (leading to delays in implementation) and reduced the communities' capacity to participate. Significant progress was made towards the building up of a viable Non State Actor Forum (NSAF). A plan of action was developed and recruitment was completed for the NSAF Secretariat. It is hoped that the establishment of a secretariat will result in the NSAF emerging with a clear national identity, strong organisational structure and capacity to sustain its secretariat from its own resources.

##### *b) Progress in activities during 2005*

1) The Programme facilitated the implementation of the seven projects carried over from 2004 namely, Chizumba Irrigation Project, Mtapa Housing Project, Goko Secondary School, Manesa Primary School, Nyamure Primary School, Chiedza Factory Shells and Sinansengwe Clinic. New cost estimates were prepared for the projects revised and funds were released for

their completion. A specific commitment of €185,000 was made. Stakeholders were reviewed to ascertain their continued commitment and support. Local communities continued to participate fully and enthusiastically, eagerly awaiting the completion of the projects.

Three new rural districts were selected, based on previous poverty data and studies conducted by other NGOs and the Ministry of Social Welfare. The new districts are Mudzi, Muzarabani and Matobo. The two urban districts are yet to be selected. NSAF structures were set up and were operational in Muzarabani. At community level, committees were also up and running.

In the old districts, ie. Chipinge, Mwenezi, Binga, Karoi and Gweru, 15 project proposals were submitted for appraisal and eight were provisionally accepted.

Capacity building was done at all levels, i.e., the TFU, NSAs and communities.

2) The Local Development Fund supports local processes aimed at capacity building of the participating communities and Non State Actors, for them to be able to effectively and efficiently implement and manage programme activities. Training programmes and workshops in 2005 focused on: Permaculture, HIV and Gender, Leadership and Governance. Exchange tours to enhance information sharing and to share experiences were organised among the different regions. In all districts project monitoring and evaluation were done consistently as well as review and planning meetings at ward and district levels.

Under ZDCPs **National Development Fund**, aimed at building capacity among NSAs at the national and regional level, a number of training programmes were conducted in all the regions and included economic literacy, team building, Monitoring and Evaluation, Internet Advocacy, Leadership and Governance, Gender and HIV and AIDS, Information and Communication and Conflict Resolution. The programme continued to network with other organisations in order to strengthen and enhance linkages. Project review was done consistently and regional and national board meetings were held. As part of strengthening institutional capacity and producing socially responsible graduates, the programme continued to engage students from higher learning institutions under the student internship programme. Disbursements for the NDF amounted to €234,721.80.

Disbursements for the administration of the programme in 2005 amounted to €17,383.54.

The end of term external evaluation of phase 1 commenced in the last quarter of the year and a draft final report was presented at the end of the year.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

Cross cutting themes have been conscientiously integrated into the programme and are reflected in the guidelines for project selection. For example, environmental impact assessment forms part of the project screening criteria and practical environmental projects are under consideration. The impact of HIV/AIDS on livelihoods and on households is being addressed by ensuring that some districts selected are those which have a large number of OVCs (Orphans and Vulnerable Children) whose parents have died mostly as a result of HIV/AIDS. This issue is also being addressed through ensuring that economic empowerment is done for all members of the community including those infected and affected by HIV/AIDS. Gender awareness and training is being conducted and the equality between women and men is being encouraged through ensuring that women are also involved in all project processes and activities. Equitable participation in NSAF decision making structures is being strengthened.

### **3.4. Utilisation of Envelope B**

In line with the recommendations of the Country Team Meeting on Zimbabwe during the mid-term review in 2004 and recognising the deteriorating health situation, a new health programme – the Vital Health Services Support Programme – was prepared and signed in late 2005. This programme will be implemented from 2006 onwards. The amount for this programme of €15.8 million together with the contribution to the African Peace Facility of €1.9 million has taken up to €17.7 million from the B-Envelope. An amount of €1.3 million is still being reserved for ECHO operations.

### **3.5. Other Instruments**

#### **3.5.1. STABEX 94**

##### *a) Results*

Zimbabwe received a total of €9,042,637.89 under its third STABEX transfer. The STABEX 1994 was an intervention to compensate economic operators for exchange losses recorded for the application year 1994. STABEX injected foreign exchange to improve the country's balance of payments thereby compensating the losses in foreign exchange, which had arisen through commodity price fluctuations. Counterpart funds were also generated for the benefit of economic operators affected by the losses.

The transfer has been used in Zimbabwe for research and training in both the cotton and coffee sector and also for the enhancement of infrastructure in the coffee sector. The Cotton Training Centre continues to be supported through the cotton transfer whilst smallholder coffee farmers remain the beneficiaries under the coffee transfer. However, not much work was done in the coffee sector because of disruption of farming activities in the large-scale coffee farms causing further downfall of the productivity of the sector.

##### *b) Progress in Activities – Coffee Sector Support*

Continued downfall of the productivity of the sector following continued disruptions of the commercial growers of the coffee sector led to the decision to suspend the implementation of the Honde Valley smallholder coffee irrigation project. At the time of suspension of support to the coffee sector, the project had finished the development of overhead irrigation infrastructure to cater for 108.9ha of irrigable coffee benefiting 300 smallholder farmers. What was still to be developed were the infield irrigation works. After consultations with the National Authorising Officer, following a field visit by the HoD, it was agreed that a stakeholders' workshop be convened to design a strategy to address the major challenges facing the coffee sector. Deliveries of coffee to the Zimbabwe Coffee Mill have continued to decline over the years from average 5,000 to 6,000 metric tonnes around the end of the 1990's to 1,640 metric tonnes in 2004/05 season.

##### *b) Progress in Activities – Cotton Sector Support*

During 2005, a total of €11,503 was disbursed to the Cotton Training Centre (CTC) for the financing of its training Programme. The CTC trained a total of 996 cotton farmers in 2005, bringing the total number of farmers trained to date under STABEX support to 8,852. The CTC's capacity to train more cotton farmers on station is constrained by limited accommodation facilities as the Centre can only accommodate at most 150 farmers at any given course period. To address this limitation, the CTC started piloting a non-residential training programme in October 2005 using farmers' fields as training venues throughout the cotton-growing season. Plans are also under way to lease training facilities at other agricultural training institutions across the country so as to increase the number of trainees as

it is felt that the current residential training programme is not having a sufficiently big impact on the estimated +300,000 smallholder cotton growers in Zimbabwe.

*c) Challenges*

Project implementation remained largely lethargic due to a number of challenges confronting the Zimbabwean economy. The overvalued exchange rate, hyperinflation and the shortages of basic commodities like fuel and agricultural inputs negatively affected the implementation of the CTC training programme.

The other major challenge facing CTC is sustainability. The CTC is 100% STABEX funded and there is serious concern that the centre will just close once the STABEX 1994 resources are exhausted. During 2005 STABEX supported various activities that were meant to explore ways of sustaining the CTC beyond STABEX 1994 resources. A number of options were identified in 2005 and further work will be done in 2006. It is therefore foreseen that funding from the STABEX 1995 will be applied to continue, if possible, the funding to the CTC to allow it to stabilise and acquire a more conducive structure.

### **3.5.2. STABEX 95**

*a) Results*

The STABEX 95 draft FMO was finalised during 2005 and submitted to EC Headquarters (HQ) for approval. Although Quality Support Group (QSG) approval and political approval were obtained relatively quickly procedural discussions on HQ level over all the STABEX FMO's (all ACP countries) slowed down the final approval. By the time of writing of this report the Delegation received news from HQ that blockage was about to be lifted and final approval was foreseen soon.

*b) Progress in Activities*

Activities under the FMO had not started in 2005.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

It is foreseen to use the field and training activities under the FMO as forum for activities related to gender, HIV/Aids, environment and any other cross cutting issue.

### **3.5.3. Regional Cooperation: SADC Scholarship Programme for Bachelor of Veterinary Science Students**

*a) Results*

The financing agreement was signed in 1994 and the project provided scholarships to nationals of other SADC countries to train for the Bachelor of Veterinary Science degree at the University of Zimbabwe. The programme ended in August 2004 and a total of sixteen students successfully completed the degree programme against a financing agreement target of 30. The level of disbursement was just over 96% by the end of the programme.

*b) Progress in Activities*

Although the programme had foreseen a total of 30 students successfully completing the degree programme, only 53% of the initial target was achieved. The major reason was the high failure rate of the students during the first and second years of their studies.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

The project itself is an institutional development and capacity building project. The BVSc curricula are environmental sensitive and issues of environmental management are mainstreamed. The issues of gender and HIV/Aids are addressed within the overall policy framework of the University of Zimbabwe, within which the Faculty of Veterinary Science falls.

### **3.5.4. Regional Cooperation: SADC Regional Food Security Training Programme**

*a) Results*

The purpose of this project is to enhance the quality of service, advice and analysis provided by organizations in SADC concerned with food, agriculture and natural resources. The programme implemented its final programme estimate in 2005 and the financing agreement ended on 31 December 2005.

*b) Progress in Activities*

During 2005, the programme implemented two regional training courses and 12 national courses. The programme also finalised the accreditation system for food security training and held its final regional advisory committee meeting in November 2005 which reviewed the achievements of the programme since its inception in 2000.

By the end of the programme, a total of 14 new regional courses had been developed and implemented against a financing agreement target of 14, 78 people had participated in the work exchange programme against a target of 100, 45 regional training institutions had benefited from the capacity building activities against a target of 14 and a total of 2,170 people had directly participated in the programme of which women accounted for 36 percent. The programme also implemented a total of 26 national courses.

Even though food security remains highly relevant throughout the regions, the SADC Member States, prior to the Dar-es-Salaam Declaration, did not have an overall uniform strategy, and this to some extent compromised the regional character of the project. The other major challenge faced by the project was lack of private sector support for the sponsorship of some of its training courses and activities. Consequently, an additional €830,600 had to be allocated to the programme through a rider to allow for the implementation of planned activities.

By 31 December 2005, the disbursement level was 91 percent.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

The programme developed specific training courses that were mainly focused on how gender, children, HIV/AIDS and the environment relate to food security challenges at the household, national and regional levels. The programme itself is also an institutional development and capacity building project.

### **3.5.5. Utilisation of the Remaining Structural Adjustment Counterpart Funds**

*a) Current Situation*

Funds under the structural adjustment programme were exhausted in 2004. A balance of Z\$143,612,417 remains from interest earnings on past investments.



### **3.5.6. Intra-ACP Cooperation: Water Facility<sup>2</sup>**

#### *a) Results*

Following the centralised evaluation of proposals 2 out of 5 proposals were considered for funding under the first Call for proposals. The total amount of the two projects is €6,910,479.62 with an EU contribution of €5,182,859.62. The two selected proposals are in component A of the Call for Proposals: Co-financing, management, improvement and governance of water.

The United Nations Children's Fund's (UNICEF; total eligible cost: €4,999,888.62) project shall address water sanitation needs of the rural poor in the context of HIV and Aids with the implementation of water and sanitation infrastructure as well as health and hygiene education with linkages to HIV and Aids.

The project of the International Federation of Red Cross and Red Crescent Societies (IFRC; total eligible cost: €1,910,591) aims at integrating water supply, sanitation and hygiene promotion into home based care projects among vulnerable communities with access to safe water and better sanitation with improved toilets systems. Both projects focus on community based approaches.

While the UNICEF project has a countrywide focus, the IFRC project is limited to the Mount Darwin district.

#### *b) Progress in Activities*

Both projects are awaiting signature of their contract.

#### *c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

To be judged during implementation of the projects.

### **3.5.7. Intra-ACP Cooperation: Global Initiatives<sup>2</sup>**

#### *a) Results*

EC efforts at Geneva level and in-country meant that Zimbabwe was granted funds from round 1 and 5 from the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM).

#### *b) Progress in Activities*

The disbursement of funds is lengthy. A total amount of US\$126 million were requested from round 1 and round 5. So far, US\$83 million have been approved, and only US\$9.6 million disbursed. Since the implementing capacity of national actors is still under consideration, UNDP remains the principal recipient for round 5, until a national actor (such as the National AIDS Council) is eligible as principal recipient according to GFATM rules. This situation challenges the principle of national ownership.

### **3.5.8. Community Budget Lines<sup>2</sup>**

#### *a) Results*

In 2005 the Delegation's support for NGOs from EC thematic budget lines resources included projects in the area of human rights and governance, poverty related diseases (HIV, AIDS and

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<sup>2</sup> Information and text in sub-sections 3.5.6, 3.5.7, 3.5.8, 3.5.9, 3.5.10 is provided by the EC Delegation. The Government of Zimbabwe is not in a position to comment on these instruments.

malaria), strengthening the livelihoods of poor rural communities, care of orphans, environment and food security, for a total of EC contribution of €26.3 million.

Under the **European Initiative for Democracy and Human Rights (EIDHR)** Programming document 2005-06, the Zimbabwe remains a focus country under two Campaigns “Promoting a Democratic process” and “Fostering a culture of HR”. There were macroprojects selected through international Calls for Proposals (CfP) and implemented by international or local NGOs and international organizations. The activities are inter alia, prevention of violence amongst youth, promoting national dialogue in the area of governance, reinforcing local democracy by promoting responsiveness to citizen-led demands among local government practitioners, strengthening the position of legal professionals and institutional HR defenders, promoting independence of media and freedom of expression and encouraging the respect of people's rights by extending legal information and legal assistance to the community. There were microprojects selected through a local CfP and implemented by local NGOs only, under the revised 2003 and 2004 programming documents’ priorities for Zimbabwe. The activities are inter alia, to promote better election coverage by media, to support democracy by creating awareness of the work of Parliament, public debate on HR and democracy, to strengthen institutional capacity of NGOs and corporate governance, to promote regional and international human rights protection and enforcement mechanisms, to empower marginalised and displaced ethnic minority groups, to raise awareness of human rights issues and standards relating to the administration of justice amongst magistrates and public prosecutors, to promote HR awareness and conflict prevention by empowering the youth with leadership and coping skills in reconciliation dialogue and policy formulation.

Under **the NGO cofinancing budget line**, there were macroprojects and one block grant selected through international CfP and implemented by European NGOs for a total of EC contribution of €4.3 million. The activities are inter alia, to strengthen the livelihoods of poor rural communities by ensuring that they generate income and commercial activities, to strengthen the capacity of the commercial farm communities to respond to the needs of Orphans and Vulnerable Children (OVC), to support community mobilisation and demonstration of community development solutions in the areas of land, housing and basic infrastructure in order to establish working partnership with local authorities, to reduce poverty and mitigate the impact of HIV/AIDS by providing sustainable supplementary nutritious food sources for vulnerable rural communities, to reduce transmission of HIV/AIDS through safe sexual behaviour especially among youth and orphans and to reduce morbidity and mortality due to malaria in targeted areas through a number of activities carried out at village level.

Under the Food Security Budget Line, €6 million were made available for NGO activities in 2004 but the programmes were implemented in 2005. The programmes covered targeted feeding as well as agricultural recovery programmes. They were all finalised end of 2005.

Under the same budget line, €10 million were made available in 2005 for an International NGO Call for Proposals (CfP). By the end of the year, 25 proposals were received by the Delegation for evaluation. This CfP can take place over a period of three years and will mostly cover Agricultural recovery activities.

There is a good cooperation/coordination between EU and Members States in these sectors of intervention.

#### *b) Progress in Activities*

Generally, the Community thematic budget lines support is mainly based on the assumption that grassroots organisations and international NGOs play an essential role in fostering social,

economical and agricultural capital and the democratic development of Zimbabwean society. NGOs are promoting a strong community initiative and grass root level participation to better analyse the underlying causes of food insecurity, HIV and AIDS political violence and human right abuse so that they can respond effectively to them. The projects continued to implement their activities as foreseen in their initial project proposals and were making satisfactory progress. The European Commission values the NGO expertise, as well as their strong impact in particular in providing capacity building, legal/technical/institutional support, monitoring as well as regional and international networking.

During the year 2005, new projects were awarded a grant and were contracted. Regarding the total amount of €26.3 million, which was made available during the year for these projects, 47% have been paid in the following manner; 51% for the EIDHR projects, 42% for the ONG-PVD projects, 80% for the food security projects and 33% for Health projects.

*c) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

The concept of Cross-cutting Themes must be given a broad interpretation. Since the evaluation of the proposals the integration on gender equity, Children rights, HIV and environment were taken in consideration. From the beginning of the projects and through the life cycle of their project, partners should demonstrate how their action reflect and promote these components. Capacity building has been given a high priority in all the projects implemented by NGOs and International Organisations funded under thematic budget line. These cross-cutting themes have been regularly assessed and followed through the intermediate and final reports, internal and external evaluations, monitoring and field missions. Institutional development required appropriate stakeholders partners with the capacity to deliver services and manage change, relevant and feasible project intervention which take account of absorptive capacity and effectively support to local institutions, and an effective support/assessment to good governance issues including organisational adequacy, accountability and transparency. It is of particular important for project relaying on local partners for the implementation of the projects and special attention was given where appropriate.

### **3.5.9. Food Relief Operations<sup>2</sup>**

Following a poor harvest in 2005 the GoZ confirmed a shortage of food supply of about 1.2 million metric tonnes (mt). Most of the donors and international agencies agreed on this number and action was undertaken to alleviate as much as possible this situation. Although there is no clear data available, it is estimated that GoZ imported around 400,000 mt on their own means distributing these imports through the Grain Marketing Board.

Most of the donors channelled their funding or support in kind through the WFP. In 2005, at the peak of its operations (December), WFP assisted more than 2.9 million people. This includes more than 2.6 million beneficiaries under the Vulnerable Group Feeding (VGF) programme, as well as nearly 300,000 beneficiaries in “Targeted Activities” including support for orphans, home based care and prevention of mother to child transmission of HIV programmes. Prior to the implementation of the VGF program in November 2005, school feeding was WFP's largest programme during the year, assisting at its peak (April/May 2005) 1.1 million children. However, WFP suspended school feeding activities in May 2005 (following some controversies surrounding some stocks of corn soy blend) and only resumed in October, at a much lower level, when an alternate food basket was approved by the relevant ministries.

In 2005, WFP received over US\$126 million for Zimbabwe operations (250,000 mt) under the southern Africa regional PRRO. This included assistance from 17 donor governments of which the EC provided €2.5 million.

For the total programmes through June 2006, despite the generosity of donor governments, WFP operations for Zimbabwe remain under funded. For its operations through June 2006, WFP has a funding shortfall that covers more than 50,000 mt. WFP is utilizing advance funding, and particularly advanced against the planned EC contribution in July 2006 (which has been used to purchase 25,000 mt maize grain) in order to cushion the shortfall, and have been largely successful in avoiding a substantial pipeline break to date.

WFP also plans to continue food supported activities through the remainder of 2006, given continued food insecurity. This would include continuing the Targeted Activities at roughly the same level, while considering the need for a seasonal (October-April) vulnerable group feeding programme, level to be determined, depending on the results of April 2006 harvest.

The outlook for the 2006 season is not good although rains have this year been prolific. The macro economic situation is not conducive as shortages in inputs, tillage and farm labour continue to hamper any chances on an improved agricultural production.

### **3.5.10. Other Relief Operations – ECHO<sup>2</sup>**

#### *a) Results and Progress in Activities*

The Directorate General for Humanitarian Aid committed €15 million to Zimbabwe for the year 2005.

The Directorate General for Humanitarian Aid's main objective was to contribute to reducing the extreme vulnerability of population groups at particular risk in Zimbabwe through the following sectors:

- Food Security through emergency agriculture support which included the provision of seeds, fertilizer, seeds multiplication, sweet potato promotion, nutrition gardens through micro irrigation kits, conservation farming, training, dip tank rehabilitation and minor rehabilitation of livestock communal structures. Co-ordination activities for this sector were also funded through FAO. The total amount of the Food Security programmes was of €5,656,943 which assisted approximately 919,192 direct beneficiaries.
- Food Aid through Home Based Care, targeted food aid distribution and HIV and AIDS prevention. The total amount of the Food Aid programme was of €98,135 which assisted approximately 41,957 direct beneficiaries.
- Water and Sanitation through construction and emergency rehabilitation of existing village water points, including boreholes, deep wells and open wells, thus improving access to safe drinking water. There were also programmes directed to the construction of school latrines in response to mitigating the effects of the collapse of public services. Co-ordination activities for this sector (including mapping, information systems and assessments) were also funded through UNICEF. The total amount of the Water and Sanitation programmes was of €4,897,737 which assisted approximately 536,025 direct beneficiaries.
- IDPs through integrated assistance with the provision of household NFI Kits, drip irrigation kits, well rehabilitation/construction, temporary latrine structures and HIV and AIDS Prevention. The total amount of the IDPs programme was of €1,224,517 which assisted approximately 26,023 direct beneficiaries.
- OVCs integrated assistance with the provision of child protection and psychosocial support, non-food assistance, and HIV and AIDS awareness. The total amount of the

OVCs programme was of €1,200,000 which assisted approximately 40,000 direct beneficiaries.

- Capacity Building of IOM (IDPs programme) and of WFP and its Co-operating Partners (Targeted Food Distribution programme). The total amount of this Capacity Building programme was of €15,675 which assisted approximately 4,300,165 indirect beneficiaries.

During 2005 some cholera outbreaks were reported, for which WHO responded through the contingency stocks from a previous ECHO programme in 2003/2004.

By February 2006, the Directorate General for Humanitarian Aid's support will have reached close to 5,863,362 beneficiaries.

*b) Degree of Integration of Cross-Cutting Themes (children, gender, HIV/AIDS, environment, culture, capacity building, and institutional development)*

The Directorate General for Humanitarian Aid has and will continue mainstreaming prevention and mitigation of HIV and AIDS throughout all its projects.

### **3.5.11. European Investment Bank**

#### *Current Situation*

There are currently no on-going EIB projects in Zimbabwe. The last loan disbursement to Zimbabwe was in June 1999. This is a consequence of Zimbabwe being in arrears on all but one of the outstanding loans since 1999/2000. Repayments on one loan, Coal Bed Methane Feasibility Study, are still current, however all other loans are in arrears amounting to a total of €73.6 million.

## **4. Programming Perspectives for the Years 2006-07**

### **4.1. Pipeline and Absorption Capacity**

Zimbabwe does not have access to the 9th EDF following the GAC decision of 18 February 2002. The programme/project portfolio of the 6th, 7th and 8th EDF was restructured in order to ensure that all programmes/projects were “in direct support of the population”. This meant that all programmes/projects (as well as capacity-building and policy reform activities), which were not in direct support of the population, were suspended and their budgetary allocations re-allocated to other programmes/projects/activities. Due to the restructuring exercise and the current crisis in Zimbabwe most project/programme activities, are more in the form of humanitarian assistance and are therefore neither promoting development nor sustainability at present.

The mid-term review exercise of 2004 was not applied in the strict sense to Zimbabwe. However, one important result was that the portfolio of the 9th EDF could be retained in full. Also the Country Team Meeting recommended the use of the B-Envelope of the 9th EDF for humanitarian purposes in support of the health sector, which is in a critical condition. However, in the light of the “sunset clause” not allowing any further commitment after 2007, the expectations to commit the A-allocation of the 9th EDF (€108 million) remain bleak.

The following operations were approved in 2005:

- 13th Microprojects Programme (€8 million)
- Vital Health Services Support Project (€15.8 million plus €2.9 million DfID funding)

The timetable for other planned projects is as follows:

- Micro Irrigation project (€6 million) – Expected start: 2006

- Support to the Parliament (€1 million to be channelled to a UNDP led project) – Expected start: 2006
- Trade Capacity building (€1 million) – Expected start: 2006

Information on expected commitments and disbursements is given in the project pipeline in Annex 8.1.

NAO and Delegation have developed a Framework of Mutual Obligations (FMO) for the STABEX 95 facility of €19.1million under which it is intended to support the farmer Unions especially in the areas of crop and livestock production.. A regional Foot and Mouth (FMD) project under SADC shall also be co-funded from the STABEX 95 allocation.

Further funds will be set free in the course of 2006 which should be planned for important operations in the social sectors as the focal areas of support.

It is envisaged that relevant activities, and in particular the Health Sector Support Programme, be harmonised with ECHO programmes.

#### **4.2. Proposal for Revision of Strategy**

Being in the specific political situation in Zimbabwe it appears to be difficult to obtain approval for the strategy of the 9<sup>th</sup> EDF.

It can therefore be concluded that there will be no revision of the strategy for the 9<sup>th</sup> EDF A-Envelope.

Regarding the B-Envelope following approval of the Vital Health Services Support Programme (VHSSP) to the tune of €15.8 million and the use of €1.9 million for the African Peace Facility there remains a reserve for humanitarian projects funded by ECHO amounting to €1.3 million.

The B-Envelope is therefore exhausted.

The "sunset clause" of the 9<sup>th</sup> EDF will lead to the definitive forfeiting of those funds not committed until 31/12/2007. It must also be realised that until full resumption of the 10<sup>th</sup> EDF some time may elapse after 2007. On the other hand, the country is currently faced with enormous humanitarian challenges. The signs of deterioration in the health and education sectors, the severe impact of HIV and Aids, requires that attention be paid to these sectors and assistance continues in both sectors.

Discussions are ongoing on the use of funds for urgent humanitarian needs in the social sectors, i.e. health, HIV/Aids and education. A possible use of the funds could be in the area of orphans and other vulnerable children (OVC) which may not only cover access to food, health and water/sanitation and nutrition and hygiene for these children but also children rights (protection from abuse, birth registration etc.).

It is herewith requested to look into the possibility of increasing the B-Envelope for needs as described above within the end-of -term review exercise.

#### **4.3. Preparation for the Next Programming Exercise 2008-13**

In November 2005, the next programming cycle 2008-2013 was announced to the NAO. Both NAO and Delegation have decided on focal points and had several briefings on the programming exercise. These works intensified beginning of 2006 with the announcement of the programming seminar to take place in Gaborone/Botswana.

Discussions took place on the areas of concentration for the 10<sup>th</sup> EDF and Zimbabwe decided to explore the areas of

- Rural development, territorial planning, agriculture and food security,
- Human and social development (health and HIV/Aids),
- Infrastructure

Trade and regional integration and the non-state actors have been identified as non-focal sectors and good governance as a cross-cutting issue

## **5. End of Term Review Conclusions for Zimbabwe**

### **5.1. Executive summary**

Zimbabwe is a specific case in the context of the 9<sup>th</sup> EDF End-of-Term Review exercise (ETR). The 9<sup>th</sup> EDF- CSP programming exercise was initiated but not finalised due to the political circumstances that obliged the EC to open consultations with Zimbabwe under Art. 96 of the Cotonou Agreement. The subsequent Council Decision<sup>3</sup> of 18 February 2002 concluding consultations and adopting appropriate measures against Zimbabwe, which is still applying after four renewals until 20 February 2007<sup>4</sup> suspended the signature of the 9<sup>th</sup> EDF CSP.

Therefore it is not possible to undertake a normal ETR in 2006 on progress in implementation and performance achieved concerning the 9<sup>th</sup> EDF CSP/NIP funds. The present review only covers the assessment of programmes and projects in direct support of the population funded from remaining resources from previous EDFs as reoriented within the mandate of the above mentioned Council Decision.

This ETR is still relevant in the current state of relations between the EC and Zimbabwe as it offers the opportunity to propose an adjustment of 9<sup>th</sup> EDF allocations ('A' allocation of €108 million is currently frozen and the 'B' allocation is already exhausted), both globally for the needs of Zimbabwe.

Following the Mid-Term Review in 2004 it was decided not to adjust the 9<sup>th</sup> EDF 'A' allocation of 108 million, already notified to Zimbabwe, and to maintain it in its entirety in order to allow the Commission to mobilise a quick EC response to a changing scenario resulting from a positive political breakthrough.

Since the evolution of the situation in the country has not permitted to meet the conditions for a lifting of the appropriate measures and the full resumption of the EC development co-operation, the 9<sup>th</sup> EDF 'A' allocation cannot be mobilised and the only available resources for the continuation of our co-operation are the remaining balances from previous EDFs (€17.9 million) and STABEX funds (around €19 million). Under an unchanged scenario, which unfortunately is the more realistic one at this stage, it has been essential to address the question of a replenishment of the 'B' allocation, on the basis of a needs assessment<sup>5</sup> undertaken by the Delegation.

An envelope of €38.2 million, which is considered to be "absorbable" by the sunset clause deadline and should be committed before the end of 2007, would allow the EC to continue the financing of important projects in direct benefit of the Zimbabwean population.

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<sup>3</sup> See OJEU, L 50/64 of 21.2.2002.

<sup>4</sup> See OJEU, L 46/25 of 20.02.2003, OJEU, L 50/60 of 20.02.2004, OJEU L 48/28 of 19.02.2005 and OJEU L 48/26 of 18.02.2006.

<sup>5</sup> See below in point 4.1.

The above amount could be made available following a twofold decision (1) to transfer the frozen envelope 'A' allocation for Zimbabwe (108 million) to the ETR general reserve, and (2) to allocate from the ETR general reserve up to €38.2 million to Zimbabwe eligible programmes.

## **5.2. Main political, economic and social developments in the country.**

### **5.2.1. Political developments:**

During the period covered by the 9<sup>th</sup> EDF from 2002 on, the deterioration of the political situation, which already started at the run-up to the parliamentary elections in early 2000, continued particularly after the 2002 Presidential elections when President Mugabe was re-elected with 56.2% of the votes. His main opponent M. Tsvangirai from the MDC, which built up a strong opposition movement, received 41.9%. The EU did not consider these elections had been carried out in conditions that were free and fair.

The last elections in 2005 (to Parliament in March and to a newly created Senate in November) were won by the ruling ZANU-PF party which has even increased comfortably its majority, mainly in the Senate where the MDC participation was decimated as one faction of the party did not participate to the elections. The overall elections process has seen some improvements compared to the last parliamentary (2000) and presidential elections (2002), mainly, regarding partial alignment to the electoral principles of the Southern Africa Development Community (SADC), absence of violence and more free campaigning, but there remained serious matters of concern which made that the electoral environment was not conducive to fully free and fair elections.

The Government has been reshuffled three times in 2002 and 2004.

The victory of the ZANU-PF at last 2005 elections raised some expectations about a possible opening of the political scene, which have completely failed at this stage. The aftermath of the elections has not seen any political, economic or constitutional move which could reverse the current declining trend and lead to the restoring of the fundamental rights, democracy and rule of law, enabling for national reconciliation and full international co-operation reengagement. Several significant Bills, amending the Constitution and the Education and Labour laws have been passed in 2005 by the Parliament which further eroded basic human rights and democratic process.

Some political mediation efforts have been steered during this period by regional actors but led to little or no result. Attempts by several African leaders (Obasanjo, Mbeki, Chissano, etc.) to promote dialogue have failed. Some exploratory talks at different levels through Church leaders' facilitation were also undertaken.

During the period 2002-2006, the relations between Zimbabwe and some international actors have deteriorated: The 2002 Commonwealth decision suspending Zimbabwe from the Councils of the Commonwealth was ratified at the CHOGM held in Abuja in December 2003. Zimbabwe reacted by withdrawing from this Organisation.

The Zimbabwe situation has hampered the dialogue between the EU and African partners at regional and sub-regional level. Dealing with the EU-AU political dialogue, it has hindered the holding of the Lisbon Summit with Africa. Concerning the EU-SADC political dialogue, which has been confirmed as the right format to have a dialogue on Zimbabwe, it has not been fully effective as a lever on neighbouring countries to maintain pressure on Zimbabwe. Special case is



South Africa with which the EU entertains a bilateral political dialogue: President Mbeki's quiet diplomacy is sometimes considered as ineffective and too cautious.

Since the conclusion of the consultations under Article 96 of the Cotonou Agreement and the adoption of the 18 February 2002 Council decision, there is no formal political dialogue between the EU and Zimbabwe.

### **5.2.2. Economic developments:**

The three major economic challenges facing Zimbabwe during this period have arisen mainly from poor management of the economy by GOZ: lack of respect for property rights (fast track land reform effects and recent threats on nationalisation of mining sector), an overvalued currency, which has brought about a parallel market and contributed to inflation, and lack of investor confidence. All this has resulted in a grim economic picture: Real GDP is estimated to have declined by around 30% over the past five years. Unemployment today affects more than 70% of the population. The Zimbabwe's annual inflation rate, which had stabilised around 125% p.a. in the beginning of 2005, surged to 726 % p.a. in February 2006 and has become the highest in the world. Quasi-fiscal operations by the Reserve Bank of Zimbabwe increasing money supply, the rising of international oil prices and the shortage of foreign currency have fuelled the inflation.

The country has been without balance of payment support since 1999 after the International Monetary Fund and donors withdrew financial aid over policy differences with the government, particularly the seizure of white owned farms. Since February 2001 Zimbabwe has been in continuous arrears. Due to this, the World Bank lending program in Zimbabwe is inactive and Zimbabwe went on non-accrual status in October 2000. Since then the Bank's role in Zimbabwe is limited to technical assistance and analytical work. Despite Zimbabwe's full settlement of its arrears to the IMF's General Resources Account, in March 2006, the IMF decided not to restore Zimbabwe's voting and related rights and not to terminate its ineligibility to use the general resources of the Fund at this juncture. It noted that Zimbabwe's economic crisis calls for urgent implementation of a comprehensive policy package comprising several mutually reinforcing actions in the area of macroeconomic stabilization and structural reforms.

The current 2006 National budget cannot provide the means to turn around the economy. Also Government's stop-go policies are not conducive to building investor confidence in the economy. In April 2006, the Government has unveiled a National Economic Development Priority Programme (NEDPP), through the Zimbabwe National Security Council (ZNSC), an all-encompassing taskforce with members from both the government and the private sector, aiming at reducing inflation, stabilisation of the currency, ensuring food security, increasing output and productivity, and generation of foreign exchange.

### **5.2.3. Social and humanitarian developments:**

The visible economic decline during the last years, aggravated with the operation 'Restore Order' launched in May 2005 and affecting hundreds of thousands of people around the country, is seriously affecting the overall social and humanitarian situation. Availability of basic staples continues to decrease and where available (mainly in urban areas) prices remain prohibitive.

The situation in the social sectors has severely deteriorated due to increasing needs and the declining of real public expenditure on social infrastructure, equipment and wage scale. Therefore the health and education systems can no longer provide basic services for the majority of the people. Other main constraints in both sectors are the high HIV/AIDS infection levels

affecting 25% of the adult population and its dreadful negative overall impact which, among other consequences, strongly limits ability of part of population to work in the field. Nevertheless it has to be underlined that a recent review by UNAIDS has found preliminary indications of declining trends of HIV prevalence and incidence in Zimbabwe over the five past years; the high vacancy rates due mainly to brain drain (i.e. 55% for doctors and 38% for nurses) and the lack of infrastructure and transport facilities and lack of incentive to attract and maintain skilled staff.

Zimbabwe has been the worst hit country by the food shortage crisis in the Southern Africa region. Production has been reduced by half since the 2000-2001 crops. The humanitarian and food situation have increasingly worsened and the Government of Zimbabwe has finally recognised by the end of 2005, after abandoning its confident forecasts of a bumper harvest, that international food aid was needed to avoid famine.

Developments in the core set of 10 key Millennium Development Goals (MDGs) indicators, for which sufficient observations are available, show declining or steady trends. This bleak picture shows the severity of the Zimbabwean crisis and calls for targeted efforts to perform better on – if not reach – the MDGs by 2015. Specific attention to Education and Health indicators shows the following:

- On Education, at the moment, Zimbabwe's MDG indicators are still much above the sub-Saharan averages: 8 out of 10 children start primary school as against 6 out of 10 on an average in sub-Saharan Africa. However, there's a deteriorating trend to be seen from the very high levels in the 1990's, particularly in the survival rate to grade 5, which has dropped from being almost 100 % in 1990 to 69,7 % in 2002, implying that fewer and fewer children finish primary school. Gender parity of 95.4 % is average sub-Saharan level (cf. North America and Western Europe have the best rate of 99 % and South and West Asia the worst, i.e. 90 %). Zimbabwe has a big population of out of school children (530 000 out of a total school age population of 2, 56 million). This group is likely to grow with the spread of the HIV/AIDS pandemic, but monitoring data is lacking as are strategies to tackle the challenge. Youth literacy rate (97, 6 %) is the highest in sub-Saharan Africa, as is adult literacy rate (90 %), but with a gender imbalance in favour of men (94 %, whereas women's rate is 86%).

- On Health there is a problem on the availability and reliability of data: for example, given the antenatal HIV prevalence of over 33% (despite the recently published reduced levels), the mother to child transmission rate (some 33%) with yet a very low (possibly under 5%) PMTCT coverage. On health policies, there is a critical issue of user fees, claimed to be a barrier for the poor: half of the spending is out-of-pocket with catastrophic consequences for the poorest. The policy on human resources also needs addressing the brain drain mainly to the UK, Australia and South Africa.

#### **5.2.4. Agricultural developments:**

The 9<sup>th</sup> EDF period has coincided with the full implementation of the Fast Track Land Reform Program (FTLRP) implying an acquisition process accompanied by extensive land occupations peaking at around 1,000 large-scale commercial farmers (LSCF) and affecting 11 Million Ha.

The agrarian structure before the FTLRP was highly inequitable. By 1999, the (LSCF) sector comprised 4000 white families owning about 9000 farms, and about 20 large agro-industrial estates. By 2000 about 400 blacks held LSCF farms while another 400 held middle sized state lease hold-to-buy farms. By contrast, over 1.2 million smallholder producers' families held an average of 3 Ha. of marginal arable land with limited infrastructure while approximately 300.000 households were landless or land-short.

The process has throughout been accompanied by significant losses in capacity and productive and capital stock while entailing uneven distribution of land and infrastructure, insecurity of tenure, and the displacement of many ex-farm workers. Government reacted by increasing its interventions in input, output, financial and foreign exchange markets. All this, alongside increasing inflation and deepening shortages in inputs and foreign exchange resulting in strongly reduced farm profitability of key commodities and an overall reduction of farm production in general.

The Government of Zimbabwe has recently made some efforts to review the land reform process<sup>6</sup>, but they have not been translated into concrete actions to re-address the situation. An internal policy debate on land, agriculture and economic policy formation is under way which could open some space for bi- and/or multilateral policy dialogue among still strongly polarized actors and stakeholders.

The current environment of insecurity of tenure substantially discourages investment on the land. The policy being announced for LSCF farms to be provided with long-term (99 year) transferable leases, without an option to buy the land, has not yet been implemented (agreement on beneficiaries, formalisation, issuing, signature and registration). The Government has recently announced that the processing of the 99-year lease forms would be completed by end of June 2006, emphasising that there was no going back on the land reform programme and it would not allow any further disruptions on farms.

Nowadays, it is estimated that only between 500 and 900 former commercial farmers are still directly or indirectly farming but investment is low and productivity strongly hampered by the unavailability of sufficient inputs and structured finance. The collapse of the commercial sector spread immediately to the small holder and communal sector. Irregular climatic conditions further aggravated the agricultural situation. Macroeconomic stabilisation is a critical precondition for an agricultural recovery. There is urgent need for a new monetary, fiscal and foreign exchange stability, in order to provide a basis for investment and employment growth.

#### **5.2.5. Regional integration developments:**

Zimbabwe holds membership of SADC and COMESA and continues to benefit from EDF regional programmes. In 2003 Zimbabwe decided to negotiate a regional EPA as part of the Eastern and Southern Africa (ESA) configuration. Zimbabwe follows the agenda of the main issues agreed on ESA level which are market access, agriculture and fisheries, trade in services, trade-related issues and development cooperation. However, the actual economic situation and lack of human capacity prevents Zimbabwe from taking a more active role on the issues at stake. Given the current economic problems, Zimbabwe should adopt transitional supportive policies targeted at specific sectors to promote industrial and exports growth in order to neutralize possible undermining of its production and industry due to liberalisation under EPAs.

Since both SADC and COMESA are planning to establish customs unions by 2010 and 2008, respectively, Zimbabwe will have to make a choice regarding which customs union to join. Right now it is a member of the 10 country Free Trade Area, already in place, under COMESA.

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<sup>6</sup> Cf. The Utete Presidential Land Review Committee report of 2003. A new Land Audit report was started in November 2004 but no data have been released.

### **5.2.6. Environmental developments:**

The major environmental problems are currently chronic droughts, deforestation, fuel wood shortage, soil erosion, wildlife destruction and air and water pollution. During this period Zimbabwe has developed environmental policies<sup>7</sup> and has ratified the main international conventions. Nevertheless it faces great difficulties in implementing its environmental policies due to the scarce resources and poor implementation capacity.

Priorities for future environmental action should include the updating and implementation of the NEAP, the protection of tourist sites and the integration of environmental concerns into policies to address land-use, water policy, mining policy and land reform with its impact on wildlife resources.

### **5.3. State of play in implementation of the EC co-operation programme:**

The EC and Zimbabwe have enjoyed a fruitful co-operation over the last two decades, except for the last period covering the 9<sup>th</sup> EDF. This cooperation has been deeply reviewed following the 18 February 2002 European Council decision adopting ‘appropriate measures’ under Article 96 of the Cotonou Agreement, which applies, after four prorogations, until 20 February 2007.

Nevertheless, the EC has remained one of the most important donors in Zimbabwe. Moreover, it has tried to fill, as well, some of the gaps left by the withdrawal or scaling down of other donor contributions. The EC has continued to implement a variety of projects following the reorientation of 7<sup>th</sup> and 8<sup>th</sup> EDFs portfolio which has allowed concentrating the bulk of remaining funds on the enlargement of programs and projects, most of them already under way, in the social sectors, community development and governance and food and humanitarian fields.

At this stage, most of available former EDF resources, including STABEX funds, have already been earmarked to cover projects in direct benefit of the population for the period up to the end of 2007. Former EDFs have been almost exhausted apart from the 9<sup>th</sup> EDF ‘A’ envelope. This overall EC assistance is to be considered as an urgent response to the increasing short term needs due to the deterioration of the socio-economic situation, but it is not sustainable in the long run.

The level of implementation, which refers essentially to the implementation of programmes and projects under the of the 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> EDF, the 9<sup>th</sup> EDF being frozen, is satisfactory despite the delays imposed by the restructuring exercise following the above mentioned Council Decision.

The level of performance has clearly increased since the ETR in 2004 as the number of years<sup>8</sup> to complete assigned funds is of 1,83 against 5,60 years and to complete payments 3,90 against 8,35 years. On the contrary the level of performance to complete EDF commitments has slightly decreased being now of 0,84 against 0,73 years. The financial performance shows that Zimbabwe is still a relatively good performing country and the relationship with the NAO has remained constructive during this period. However, it is not certain that this level of good performance would have been achieved if Zimbabwe had been able to implement its 9<sup>th</sup> EDF ‘A’ allocation.

The three Joint Annual Reports elaborated during this period (2001-2002, 2003 and 2004) have seen sharp differences on the perception of the political and socio-economic situation between the Government of Zimbabwe and the EC. Nevertheless, final texts have been agreed despite divergent opinions and analysis has been shared on a basis of lowest common denominator on

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<sup>7</sup>National Environmental Action Plan (NEAP), Biodiversity Strategy Action Plan and impact assessment legislation.

<sup>8</sup> Status at 31.12.2005 on a 5 years average basis.

sensitive issues (political situation, economic and humanitarian crisis, nature of EU measures, mainly). The Delegation has highlighted the divergences in its Position Papers to be attached to the JARs.

This chapter only refers to the results achieved under the former EDFs, mainly 8<sup>th</sup> EDF, signed in 1996, which had a direct poverty alleviation orientation and which focused on health, education and rural development.

### **5.3.1. Results achieved in focal sectors:**

Due to the non-existence of a 9<sup>th</sup> EDF CSP/IP, the results achieved cannot be measured on the basis of agreed indicators, targets and sectoral policy commitments contained in the intervention framework.

In the last years, there has been a positive trend towards greater focus and concentration, with a reduced number of projects and sectors. The EC has made significant efforts towards concentrating assistance and the Ministry of Finance played a key role in facilitating this concentration by prioritising between the multiple demands of sectoral ministries. Another positive development in the late 1990s was the shift away from stand-alone projects towards support for structural adjustment and policy-linked sector programmes in focal sectors (ASMP, HSSP1 and ETRP) under the 8<sup>th</sup> EDF. Innovative co-operation with community-level groupings has also been important, although its developmental impact has been hard to assess. Until the 18 February 2002 Council decision the EC had been supporting sector reform programmes in health (HSSP I), education (ETRP) and agriculture (ASMP)<sup>9</sup>, which, however, had mixed results, due to the unstable macro-economic environment, the lack of a medium-term expenditure framework (MTEF), limited managerial capacity and leadership in ministries and the unwillingness of donors to be co-ordinated by the Government.

In the social sectors, the EC, together with the EU Member States, has been Zimbabwe's major co-operating partner. In the period 2000 to 2006 it has committed a total of around €80 million on health and education programs. About €69 million have been administered in cooperation with the Ministries of Health and Education and around €1,5 million through Non State Actors/NGOs. This has directly contributed to the fulfilment of 5 out of the 8 MDGs (fight against HIV/AIDS and other diseases, reduction of child mortality, improvement of maternal health, access to Universal Primary Education, eradication of extreme poverty and hunger).

In the health sector, the major intervention was aimed at compensating the reduced state funding in this sector. In this field the funding has mainly served to cover the procurement of vital and essential drugs, vaccines, essential equipment and training of basic human resources particularly to cope with the enormous HIV/AIDS problem. The EC support, providing 60% of available drugs in the public health sector even if that represents only 30% of the needs, has had a non negligible leverage effect on the own Government's own health expenditure while pushing it to continue to maintain the same public resources to the health sector despite of the scarcity of public means due to the economic crisis. External evaluations have indicated that the EC has effectively contributed to keep alive health service provision to the general public while the procurement and distribution has been carried out fairly and efficiently.

In education, the EC-financed ETRP focuses on resource allocation issues and the piloting of alternative delivery mechanisms for subsidies to poor children. Funds have been mainly allocated to cover school fees for children in poor districts. Evaluations and monitoring missions

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<sup>9</sup> Afterwards programmes not providing direct support to the population have been closed and the remainder funds have been re-oriented.

have shown that this support has had a significant impact to facilitate enrolment and access to education. However, increasing poverty prevents people from investing more in human capital (education drop-out rates are increasing strongly).

### **5.3.2. Results achieved in non-focal sectors:**

On Community development and governance, the EC has implemented and is still implementing two large programs (Micro-projects - MPP and Decentralized Cooperation - ZDCP) aiming at poverty alleviation mainly in rural and peri-urban zones through the increase in household income, food security, health and education by supporting community based initiatives and self-enhancement of communities. A total amount of around €45 million have been pledged for these programs.

Under the former MPP, the EC has financed approximately 800 projects since 2000 for an amount of €20 millions and the overall achievement is quite satisfactory despite the handicaps arising from the unfavourable operating environment. Another phase of the MPP was launched in July 2005 with a budget of €8 million.

The former ZDCP of an amount of €7 million, which has financed 16 specific projects in the area of health, economic empowerment and food security, and has largely achieved its main objective of capacity building support for Non State actors at national level and participating Communities at local level. A new phase of the ZDCP was launched in January 2005 for an amount of €8 million.

### **5.3.3. The European Investment Bank (EIB):**

Almost two-thirds from the lending of the EIB has supported the energy sector and were lent to ZESA, the public power utility. These operations had an important impact on the development of the Zimbabwean domestic grid, as well as, through inter-connectors, on the Southern African power system. However, since 2000, EIB activities have been suspended completely due to the persistent worsening of the arrears situation and the political and economic blockage.

### **5.3.4. Cross cutting issues:**

HIV/Aids, gender, institutional development and capacity building have been integrated in health (HSSP I and II) and education (ETRP) programmes and have been receiving increased attention. Micro-projects (ZMPP) and Decentralized cooperation (ZDCP) programmes pay specific attention to women and youth projects.

### **5.3.5. Non-State Actors and utilisation of envelope 'B':**

The decentralised cooperation programme (ZDCP) has enhanced the capacity of NSA's and the private sector to deliver health, education and food security services mainly to the communities. The food security and human rights budget lines have also been channelled through NGOs.

The Government has continued to mistrust the civil society and continuously increased its pressure on this sector. In 2004 Parliament voted the extremely unfriendly "NGO bill" which intended to stop all foreign funding for NGO activities related to Governance and Human Rights. While the bill was never signed into law by the President, several Government institutions clamped down severely on the sector hampering seriously overall NGO's operations.

The whole envelope ‘B’ amount (€15.8 million<sup>10</sup>) has been earmarked to cover unforeseen needs in the health sector with interventions already identified in the 2004-2007 pipeline.

### 5.3.6. Other programmes: budget lines, STABEX and budget support:

During the last years and mainly since 2002 with the deterioration of the food crisis, the EC has been the largest single donor in Zimbabwe to address the regular food deficits problem affecting around 4 million people throughout the country. The aid has been implemented through the EDF partnership and implementing partners such as UN’s Agencies, mainly the World Food Programme, and NGOs.

EC budgets pledged for food aid and humanitarian operations from 2002 up to now have amounted to almost €20 million distributed as follows:

Budget Line	2002	2003	2004	2005	2006
Food/Security aid	€34 million	€27 million	€6 million	€30 million	€40 million
Humanitarian aid (ECHO)	€15,47million	€38.39 million		€15million	€12million

Under the European Initiative for Democracy and Human Rights (EIDHR), for which Zimbabwe is a focal country, €5.1 million have been provided for the period 2002-2005.

STABEX 1994, with balances of previous 1992 and 1993 allocations, has had an impact in the cotton and coffee sector research and training. STABEX 1995 funds are still available (around €19 million) and will particularly focus on the poorer communal and smallholder sectors or on policies that will promote the improvement of their livelihoods. An important provision is also earmarked for Foot and Mouth (FMD) vaccines as part of the regional EC support programme to tackle FMD.

Budget support was suspended by the 18 February 2002 Council Decision. **Zimbabwe’s prospects for eligibility are weak in view of the major macroeconomic imbalances, the severe worsening of poverty and social conditions and the acute failures in governance at multiple levels.**

## 5.4. Programming perspectives for the future.

### 5.4.1. Replenishment of allocation ‘B’ – needs assessment:

During the recent Programming Seminar for the Southern Africa region, held in February 2006 in Gaborone, Commission services (DG DEV, DG AIDCO and Delegation) agreed that, the ETR exercise would allow for an adjustment of 9<sup>th</sup> EDF both ‘A’ and ‘B’ allocations in order to take into account the specific case of Zimbabwe. On the one hand, the ‘A’ allocation being frozen, as the signature of the 9<sup>th</sup> EDF Strategy will likely remain suspended unless a rapid breakthrough occurs on the political situation in Zimbabwe, it is wise to propose a decrease of that allocation for the whole amount of €108 million. This is justified also by the need to respect sound financial

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<sup>10</sup>The original ‘B’ allocation was €19 million. The current envelope of €15.8 million results from deducting €1.9 (African ‘peace facility’) and €1.3 million (ECHO reserve of 7%).

management rules' advising not to keep envelopes frozen that could be earmarked to other most needy operations in other countries. On the other hand, it was agreed that the ETR should allow ensuring some funds available for the transition period (until full resumption of EC instruments/10<sup>th</sup> EDF) in order to cope with increasingly unforeseen humanitarian needs and due to the exhaustion of available resources from former EDFs.

In this context, a comprehensive needs assessment for additional multi-sectoral humanitarian support for the people of Zimbabwe has been drafted after evaluating the needs for improvement in the lives of vulnerable people, unforeseen until now, and resulting from the sharp deterioration of the on-going humanitarian crisis which is set to continue with unlikely prospects, in the short to medium run. Most important is the fact that the interventions envisaged with additional support address six of the key areas set out in the Millennium Development Goals (MDGs). It has taken also into account the fact that under the current circumstances and without any genuine commitment for the Government of Zimbabwe to address the essential elements of Cotonou Agreement, the resumption of full EC co-operation instruments is very unlikely.

The result is a realistic short term portfolio that takes into consideration also the absorption capacity and the 'sunset clause' constraints. The funding requested is additional to existing, but already almost exhausted, former EDFs funding and will allow continuing to enhance visibility of our still important assistance to Zimbabwe. Projects could be launched within the time-frame by end 2006 giving an operational time frame of two years from end 2006.

In this respect recommitments of remaining balances of the 8<sup>th</sup> EDF in the course of 2006 will lead to projects already identified in support to HIV and Aids treatment, assistance to orphans and other vulnerable children, non-state actors, human rights and migration, governance, non-state actors and replenishment of TCF.

Under the current circumstances it is in the interest of the EC to fill some gaps in order to prevent as much as possible any meltdown scenario which could lead to isolation, extremism growing, rising poverty, collapse of institutions and the negative spill over effects, in particular of conflicts, spreading to neighbouring countries. Some of these spill over effects (such as illegal immigration and deportation) are already addressed in this assessment.

Regarding the 'B' allocation of the 9<sup>th</sup> EDF, it has already been exhausted. The replenishment of the 'B' allocation is meant to give a timely response to the urgent needs due to the overall sharp deteriorating situation, exacerbated by Operation "Restore Order" (urban displaced), as identified in the following fields:

a) In the food security and agriculture area, funding will be concentrated on the support of the communal and small holder sector with the focus on food to the vulnerable groups, inputs and agricultural assets support. Implementing partners (IPs) will include the UN agencies (WFP and FAO) and the NGO sector. Based on the cost of previous interventions (agricultural inputs) and with a potential beneficiary caseload of up to one million the cost of intervention is estimated to be €4 million over two years.

b) In the social areas the sharp deterioration of the situation is illustrated by the existing 1.6 million people which are HIV infected, accounting for 618 deaths/day and the number of orphans and vulnerable children is put at 1.3 million. In Health, the EC would support some actions to be considered as emergency measures addressing a humanitarian crisis and to avoid further weakening of the public health system. This humanitarian operation is also intended to address social exclusion. Indicative costs for a two year intervention on purchasing essential drugs including increase of consumption due to HIV/AIDS ( €4 million); Safe blood ( €1,6 million); ART for 6.000 people, which is only 2.5% of the current needs (€3,7 million); Incentive package (€1,6 million) and Emergency Interventions for Outbreak of infectious disease



(€ million). The total indicative amount required for humanitarian assistance related to health is €11.9 million.

Relating to Orphans and other vulnerable children (OVC) the EC would contribute with €10 million, for the two first years, to the basket fund managed by UNICEF supporting the National Plan of Action for Orphans and Other Vulnerable Children (OVC) which is a multi-annual, multi-donor funding instrument.

The total amount necessary to cope with the above overall needs is €38.2 million.

#### **5.4.2. 10th EDF Programming perspectives:**

On the occasion of the above mentioned Programming Seminar, Commissioner Michel met an important Zimbabwean Delegation led by the Minister of Foreign Affairs and the Minister for Finances. It was agreed to explore ways of enhancing discussions in the framework of the Programming exercise for the 10<sup>th</sup> EDF, which has been launched during this Seminar, to set the basis of the EC cooperation with ACP countries for the period 2008-2013. This could lead to a broader dialogue on conditions for a successful completion of a strategy, under the 10<sup>th</sup> EDF programming exercise, allowing for the full and rapid resumption of EC's assistance in case of political circumstances allowing for it.

In the last four years, Zimbabwe has not benefited from all EC instruments for development co-operation. The 9th EDF CSP-NIP has not been signed and Zimbabwe has lost the opportunity to access to its 'A' allocation. The main challenges with respect to the macro-economic framework, infrastructures, agricultural production and food situation, social sectors and finally the standard of living of most of Zimbabweans have sharply deteriorated. Furthermore, most indicators regarding the core set of 10 key MDG, for which sufficient data is available, show declining trends.

The response strategy should address these negative MDG's trends and would include measures having a direct and rapid impact on poverty alleviation. It would focus on the areas of 'Human and Social Development', with Health (HIV/AIDS) as a sector for concentration, and "Rural Development, territorial planning agriculture and food security", with food security, agriculture territorial management and environment as a sector for concentration. A first consensus on these sectors of concentration sector has been achieved and both the Commission and NAO's services are now actively engaged in moving forward the programming process in all its aspects including Governance. Focusing on both areas is also justified by the experience and impact of the EC assistance to Zimbabwe during the last decade which confirms the EC's comparative advantage and particular competence in dealing mainly with social sectors.

#### **5.5. Conclusion:**

**In the light of the above analysis it is proposed to adopt a twofold decision:**

- (1) To transfer the frozen 9<sup>th</sup> EDF 'A' allocation for Zimbabwe (€108 million) to the ETR general reserve; and**
- (2) to allocate from the ETR general reserve up to €38.2 million to Zimbabwe eligible programmes within the limit of available resources. This amount is considered to be "absorbable" by the sunset clause deadline and would permit the EC to continue assisting the population of Zimbabwe with a similar level of assistance than the one granted up to now under the current difficult circumstances.**

**SIGNED:**

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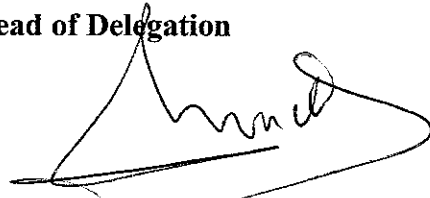
**WILLARD MANUNGO**  
**National Authorising Officer**



**Date:** 6/6/07

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**XAVIER MARCHAL**  
**Head of Delegation**



**Date:** 6/6/07

## 6. Annexes

### 6.1. Financial Donor Matrix

(\*) ~ Showing situation at the end of 2005

Country Sectors	EC	Czech Rep	Germany	France	UK	Belgium	Sweden	Netherlands	Italy	Austria	Spain	Total
Health	20,208,188	150,000	485,000	914,000	21,451,300	0	1,653,099	0	1,386,115	0	0	46,247,702
Education	4,359,696	0	0	0	0	0	66,165	0	0	0	0	4,425,861
Child Protection	1,395,000	0	0	0	0	0	0	0	0	0	0	1,395,000
Water and sanitation	5,135,502	0	775,000	0	0	10,000	0	0	0	0	0	5,920,502
Governance, Human rights and capacity building to civil society	807,453	0	400,000	22,000	1,232,500	0	2,854,553	787,000	0	0	0	6,103,506
Community/decentralised development	0	0	0	0	0	0	0	0	0	0	0	0
Rural development / livelihoods	4,390,470	0	160,000	1,285,000	0	0	0	0	0	0	0	5,835,470
Food security (agriculture relief/livestock)	11,126,339	0	1,100,000	0	5,090,000	0	0	0	0	0	0	17,316,339
Nutrition	95,000	0	0	0	2,080,000	0	0	0	0	0	0	2,175,000
Food aid	2,863,417	0	3,017,000	0	2,400,000	0	0	0	0	0	0	8,280,417
Integrated humanitarian relief	726,558	0	0	0	1,450,000	0	712,661	0	0	0	0	2,889,219
Project support & non sector specific coordination	1,607,167	0	0	0	1,160,000	0	0	0	0	0	0	2,767,167
Nat. resources/ Environment	0	0	0	275,000	0	0	93,636	0	0	0	0	368,636
Budget support /SAP/debt relief	0	0	0	0	0	0	0	0	0	0	0	0
Transport infrastructure	0	0	0	0	0	0	0	0	0	0	0	0
Communication infrastructure	0	0	0	0	0	0	0	0	0	0	0	0
Banking and financial services	0	0	0	0	145,000	0	0	0	0	0	0	145,000
Business/Private sector	0	0	0	0	0	0	0	0	0	0	0	0
Energy	0	0	0	0	0	0	0	0	0	0	0	0
Industry and Mining	0	0	0	0	0	0	0	0	0	23,785	0	23,785
Trade	0	0	0	0	0	0	0	0	0	0	0	0
Tourism	0	0	0	0	0	0	0	0	0	0	0	0
Cultural	0	0	0	200,000	0	10,000	442,800	0	0	0	15,000	667,800
Other	0	0	0	0	0	0	0	0	0	6,380	0	6,380
<b>Total</b>	<b>52,714,790</b>	<b>150,000</b>	<b>5,937,000</b>	<b>2,696,000</b>	<b>35,008,800</b>	<b>20,000</b>	<b>5,822,914</b>	<b>787,000</b>	<b>1,386,115</b>	<b>30,165</b>	<b>15,000</b>	<b>104,567,784</b>

## 6.2. Summary table of EC cooperation

<b>Project Title</b>	<b>Contracting Party</b>
Legal Advisory Unit in the Office of the UN Resident Co-ordinator in Zimbabwe	United Nations Development Programme (UNDP)
Legal Resources Foundation's (LRF) Paralegal Programme in the Midlands and Masvingo Provinces	Legal Resources Foundation (LRF)
Community based HIV/AIDS Prevention in Zimbabwe	Danish Red Cross
Support to Mazowe (Mvurwi) and Guruve Commercial Farm Communities to respond to the needs of orphans and vulnerable children (OVC) - Zimbabwe	Terres Des Hommes (TDH) Italia
Improving NGO Corporate Governance in Zimbabwe	National Association of Non Governmental Organisations (NANGO)
Ethnic Minority Rights Programme	Silveira House
Building Hope in the internally Displaced Peoples of Zimbabwe	Zimbabwe Community Development Trust (ZCDT)
Capacity building of the Media to Promote Better Election Coverage	Zimbabwe Election Support Network (ZESN)
Building Local Partner Capacity to Empower and Increase Income for Rural Dairy Farmers	Africa Now
Support to Strategic Framework for a National Response to HIV/AIDS	COSV
Support Interventions for Malaria Prevention in Strongly Affected Areas of Zimbabwe	CESVI
The Mildmay Harare Centre for Children Living with HIV/AIDS	Mildmay
Comprehensive HIV/AIDS prevention and care programme	Medecins Du Monde
From PPTCT to a Comprehensive HIV Treatment and Care Package	CESVI
Emergency Agricultural Support Programme	World Vision Deutschland E.V.
Restoring Household Security Project	Care International UK
Agriculture Rehabilitation and Nutritionnal Support Programme	GOAL
CAFOD Protracted Relief Programme	Catholic Agency for Overseas Development Foundation
Reducing the vulnerability of poor households to food insecurity and HIV infection in Zimbabwe	ActionAid International Africa Regional Office
EU 2004 Food Security Programme	Christian Aid
Towards sustainable Livelihoods for the infected & affected in the fight against HIV/AIDS	Comitato Di Coordinamento Delle Organizzazioni Per Il Servizio Volontario
Food Security NGO Programmes	TBA

### 6.3. Health Sector Intervention framework with an overview of policy measures and indicators

Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
<p><b>Overall Objective (Impact)</b></p> <p>1. To promote social justice through improved quality of life amongst the most vulnerable by mitigating current serious difficulties into the health system</p> <p>2. To reduce the incidence and alleviate the impact of HIV/AIDS and other priority diseases in Zimbabwe</p>	<ul style="list-style-type: none"> <li>• STI incidence</li> <li>• Weight of under 5s</li> <li>• Life expectancy</li> <li>• HIV prevalence among pregnant women</li> <li>• National MDG report, 2004</li> </ul>	<ul style="list-style-type: none"> <li>➤ Benchmark reports</li> <li>➤ National Health Profiles</li> <li>➤ Sentinel Surveys</li> </ul>	<p>GoZ give high priority in resource allocation to social sectors, nevertheless real financial capabilities of GoZ may do not meet the level political willingness and commitment.</p>
<p><b>Project Purpose (Outcome)</b></p> <p>1. To support people's increased access to affordable quality health services and in particular district health services</p> <p>2. To ensure continued availability of safe blood and supply of essential drugs for prevention, treatment and control of HIV/AIDS and other communicable and non-communicable diseases</p>	<ul style="list-style-type: none"> <li>• Country immunisation coverage</li> <li>• Proper management of health services</li> <li>• Availability of vital items at NatPharm (Target 60%)</li> <li>• Availability of Safe Blood</li> </ul>	<ul style="list-style-type: none"> <li>➤ NatPharm Reports</li> <li>➤ AEDES monitoring reports</li> <li>➤ NBTS reports</li> <li>➤ Annual budgets, plans and reports</li> </ul>	<p>Adequate supply of fuel and spare parts for distribution system to function.</p> <p>Health Sector Maintained</p>

Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
<b>Component I: Drugs and Supplies</b>			
<p>Result 1 Essential drugs and medical supplies available at public health facilities at all levels</p> <p><u>Activities:</u> 1.1. Procure essential drugs, medical supplies, vaccines, spare parts and test kits 1.2. Coordinate with other donors</p>	<ul style="list-style-type: none"> <li>• % availability [V - 100%; E - 70%] at all levels by 2005</li> <li>• % stock of items in NatPharm</li> </ul>	<ul style="list-style-type: none"> <li>➤ essential drugs survey, stock status reports [GRV, PAC]</li> </ul>	<p>Foreign currency available</p> <p>Timely payment to NatPharm by Ministry of Health and Child Welfare</p> <p>Coordination with other main donors.</p>
<p>Result 2 Functional drug supply system in place</p> <p><u>Activities:</u> 2.1 Outsource transport for distribution until trucks arrive 2.2 Procure trucks to distribute drugs 2.3 Implement quality assurance protocols at goods receipt and guarantee 2.5. Quantify and cost national drug and medical supply needs 2.6. Distribute drugs (NatPharm trucks, outsourced trucks by NatPharm and institutions) 2.8. Give TA to NatPharm or procurement manager, operations, financial manager, MIS, HR manager</p>	<ul style="list-style-type: none"> <li>• lead time [HFL - C,B = 6 weeks; A = 4 weeks]</li> <li>• frequency of stock takes and discrepancy records</li> <li>• procurement schedules in place and being used</li> <li>• procurement lead (EC) time</li> </ul>	<ul style="list-style-type: none"> <li>➤ essential drugs survey reports</li> <li>➤ monitoring reports by TA</li> </ul>	<p>Transport available</p> <p>Fuel is available</p> <p>HR (PT, Pharmacist, and management) in place at the institutions</p>

Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
<p><b>Result 3</b> Functional drugs and medical supplies management information system</p> <p><u>Activities</u> 3.1. Inform facilities in stock status (drugs and medical supplies) 3.2. Collect information from facilities on drug availability 3.3. Conduct essential drug surveys 3.4. Procure computer hardware for DPs (to link to NatPharm)</p>	<ul style="list-style-type: none"> <li>• Monthly stock status reports available</li> <li>• On-line reconciliation in place by end of June 2004</li> </ul>	<ul style="list-style-type: none"> <li>➤ Monitoring reports by the TA</li> <li>➤ Stock status reports</li> </ul>	<p>Navision fully and autonomously functional</p> <p>WAN in place</p>
<p><b>Result 4</b> Rational use of drugs in place</p> <p><u>Activities:</u> 4.1 Conduct essential drug survey 4.2 Print EDLIZ (selection) 4.3 Train health personnel on RDU 4.2. Revive HDTCs</p>	<ul style="list-style-type: none"> <li>• adherence to EDLIZ by health workers</li> <li>• number of HDTCs functional</li> </ul>	<ul style="list-style-type: none"> <li>➤ essential drugs survey reports</li> <li>➤ minutes of HDTCs' meetings</li> </ul>	<p>HR in place</p>
<p><b>Result 5</b> Contributed to capitalisation of NatPharm</p> <p><u>Activities:</u> 5.1. Procure drugs and medical supplies for sale by NatPharm 5.2. Strengthen of harmonisation and alignment. 5.3. EC projects funded through BL able to procure health commodities through Natpharm.</p>	<ul style="list-style-type: none"> <li>• number of EU tenders floated (value)</li> <li>• % EU contribution to total purchases</li> <li>• % contribution of EU to total sales</li> <li>• % of institutions not paid NatPharm after 60 days</li> </ul>	<ul style="list-style-type: none"> <li>➤ SPB records of tender awards [GRV, PAC]</li> </ul>	<p>Forex is available</p> <p>SOP (standard operational procedures) in place also for EC BL funded implementing partners.</p>

Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
<b>Component II: NBTS</b>			
<p><b>Result 1</b> Improved availability of imported consumables critical for safe blood</p> <p><u>Activities:</u> 1.1. Procure test kits, blood bags and apheresis kits</p>	<ul style="list-style-type: none"> <li>• 80 000 test kits procured for NBTS by March 2004</li> <li>• number of blood bags procured by March 2004</li> <li>• apheresis kits procured by end of 2003</li> </ul>	<ul style="list-style-type: none"> <li>➤ provisional acceptance certificate (PAC)</li> <li>➤ good received voucher (GRV)</li> </ul>	<p>NBTS continues as a going concern</p> <p>NBTS clears foreign debt</p> <p>Macro economic fundamentals improve</p> <p>Other partners contribute o critical requirements</p> <p>Expanded blood donor base to adults</p>
<p>Result 2 NBTS recapitalised and strengthened management</p> <p>Result 3 Support for collection, screening and processing of blood</p> <p><u>Activities:</u> 2.1. Procure vehicles and equipment 2.2. Refurbish buildings and cold chain equipment 2.3. Develop capacity of NBTS in finance, management information systems, marketing, policy formulation and training in different areas 2.4. Facilitate stakeholder meetings, reviews and inputs</p>	<ul style="list-style-type: none"> <li>• Cold room equipment for Bulawayo, Gweru, Masvingo and Mutare procured by end of 2003</li> <li>• 21 vehicles procured by end of 2003</li> <li>• lab and clinic equipment procured by end of 2004</li> <li>• computer hardware and software procured by August 2004</li> <li>• refurbishment of buildings and installation of cold room equipment by August 2004</li> <li>• refurbish 11 cold chain units at Harare by October 2004</li> <li>• supply and install air conditioning for Harare Provincial lab by Oct. 2004</li> <li>• policy documents in place: <ul style="list-style-type: none"> <li>- for pricing by June 2004</li> <li>- vehicle by March 2004</li> <li>- financial management by June 2004</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ PAC, GRVs</li> <li>➤ PAC, GRVs</li> <li>➤ PAC, GRVs</li> <li>➤ PAC, GRVs</li> <li>➤ PAC, GRVs</li> <li>➤ NBTS</li> <li>➤ PCC meeting minutes</li> <li>➤ Policy documents</li> </ul>	<p>NBTS continues as a going concern</p> <p>NBTS clears foreign debt</p> <p>Macro economic fundamentals improve</p> <p>Other partners contribute o critical requirements</p> <p>Expanded blood donor base to adults</p>



Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
	<ul style="list-style-type: none"> <li>• MOU signed with Ministry of Health by May 2004</li> <li>• revised business plan by Oct. 2004</li> <li>• Annual budget for 2005 presented October 2004</li> <li>• quarterly financial reports</li> </ul>	<ul style="list-style-type: none"> <li>➤ MOU</li> <li>➤ Monthly financial reports</li> </ul>	
<b>Component III: Enhanced Planning for HIV/AIDS</b>			
<p><b>Result 1</b> STIs managed through syndromic approach at all health facilities</p> <p><u>Activities:</u> 1.1. Train Ministry of Health and Child Welfare in syndromic management of STIs 1.2. Produce and distribute STI management guidelines and flow charts to all health facilities 1.3. Undertake support and supervisory visits</p>	<ul style="list-style-type: none"> <li>• Number of HCW trained per quarter</li> <li>• STI guidelines and flow charts available and used at health facilities</li> <li>• % of STI clients managed correctly (WHO PI indicator 7)</li> </ul>	<ul style="list-style-type: none"> <li>➤ supervisory reports</li> <li>➤ checklists</li> <li>➤ training reports, institutional reports and annual reports</li> <li>➤ supervisory reports / assessments</li> </ul>	<p>Drugs are available</p> <p>Human resources for health management retained</p> <p>Other partners support GoZ and EC efforts</p>
<p><b>Result 2</b> Skill sin planning, coordination and implementation of HIV and AIDS responses enhanced</p> <p><u>Activities:</u> 2.1. Support national aids conference (TA + venue) 2.2. Conduct planning workshop on HIV &amp; AIDS 2.3. Define &amp; cost basic health care package 2.4. Train &amp; recruit primary care counsellors</p>	<ul style="list-style-type: none"> <li>• Planning and coordination meeting held per year (MODO, National Aids Conference)</li> <li>• Primary care counsellors (PCC) trained every quarter</li> <li>• Institutions with PCC by Nov. 2004</li> <li>• Consolidated HIV/AIDS work plan produced by Nov. 2004</li> <li>• Costed Basic Health Care Package presented</li> </ul>	<ul style="list-style-type: none"> <li>➤ minutes/reports (National Aids Conference MODO)</li> <li>➤ training report</li> <li>➤ reports / records, work plan document</li> </ul>	<p>GoZ, other partners support the AIDS conference</p> <p>GoZ commitment to PCC</p> <p>Coordination among partners improves</p> <p>Government efforts to strengthen AIDS response are supported</p>

Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
<b>Component IV: Decentralisation</b>			
<p>Result 1: Skills at peripheral operational levels in financial and health services management in place</p> <p><u>Activities:</u></p> <p>1.1. Develop assessment tools for provincial and district HSO managers</p> <p>1.2. Assess health service organisation management skills at provincial and district levels</p> <p>1.3. Define the training needs</p> <p>1.4. Conduct training - formal and on-the-job</p> <p>1.5. Produce HSF Manual and Accounting Officers' Manual on procurement</p>	<ul style="list-style-type: none"> <li>• At least 80% of accountants and accounting assistants in all districts trained by end of 2004</li> <li>• Proportion of trained staff producing reliable financial reports by first quarter of 2005</li> <li>• Number of staff from province and district trained</li> <li>• Number of training sessions conducted</li> <li>• Proportion of districts producing timely and quality reports by first quarter of 2005</li> <li>• Ability of trained staff to monitor financial and health services management</li> </ul>	<ul style="list-style-type: none"> <li>➤ Attendance records and cost reports</li> <li>➤ Availability of financial reports</li> <li>➤ Attendance records and cost reports</li> <li>➤ Attendance records and cost reports</li> <li>➤ Periodic reports</li> </ul>	<p>Availability of staff for a length of time</p>
<p><b>Result 2</b> Well functioning Health Services Fund [HSF] in place</p> <p><u>Activities:</u></p> <p>2.1. Present HSF funding requirements emanating from FA to Ministry of Finance and Economic Development</p> <p>2.2. Disburse funds into the HSF (GoZ and partners) on quarterly basis</p> <p>2.3. Lobby for more funds from other stakeholders</p> <p>2.4. Improve internal audit skills</p> <p>2.5. Produce Manual on procurement</p>	<ul style="list-style-type: none"> <li>• Agreed amount disbursed on quarterly basis</li> <li>• Proportion of health facilities using HSF manuals</li> <li>• Proportion of contribution into the HSF by partners</li> <li>• Quarterly financial reports produced</li> </ul>	<ul style="list-style-type: none"> <li>➤ Disbursement schedule and financial reports</li> <li>➤ Survey and monitoring reports</li> <li>➤ Financial and audit reports</li> <li>➤ Financial and audit reports</li> </ul>	<p>GoZ commitment to funding the public health sector continues</p> <p>A framework for the provision of an essential package of health service in place</p>

Intervention Logic	Objectively Verifiable Indicators (OVIs)	Means of Verification (MoVs)	Important Assumptions
<p>Result 3 Physical asset management improved</p> <p><u>Activities:</u> 3.1. Conduct a survey of hospital and medical equipment 3.2. Improve physical asset management system 3.3. Facilitate approval of the Transport Policy 3.4. Produce an equipment maintenance policy 3.5. Develop guidelines to assist monitoring of physical asset management</p>	<ul style="list-style-type: none"> <li>• Equipment and transport policies in place by end of 2004</li> <li>• Proportion of selected items present and functional in selected institutions</li> <li>• Number of functional vehicles per district level</li> <li>• Lifespan of vehicles per management unit</li> </ul>	<ul style="list-style-type: none"> <li>➤ Equipment and transport policy</li> <li>➤ Periodic surveys and supervision reports</li> <li>➤ Benchmark reports</li> <li>➤ Age analysis vehicle report</li> </ul>	<p>Effective use of existing resources</p>
<p>Result 4 Systems for monitoring health sector performance in place</p> <p><u>Activities:</u> 4.1. Review provincial plans and reports 4.2. Strengthen the health information system 4.3. Produce district and provincial profiles 4.4. Produce benchmark reports 4.5. Disseminate relevant health information to lower levels</p>	<ul style="list-style-type: none"> <li>• Number and percentage of feedback reports (quarterly &amp; annual reports/plans) given to the provinces</li> <li>• % profiles (national, provincial, district) available and complete [national - after 8 months; provincial - after 6 months; district - after 3 months)</li> <li>• % of provinces producing benchmark reports</li> </ul>	<ul style="list-style-type: none"> <li>➤ Benchmark reports</li> <li>➤ District Health profiles</li> <li>➤ Provincial Health Profiles</li> </ul>	<p>Capacity, manpower and motivation from Ministry of Health and Child Welfare</p>

Country: Zimbabwe

6.4. Chronogram of activities

	2005												2006				Amount of proposal in million €	Budget line/ EDF	
	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sept	Oct	Nov	Dec	Q1	Q2	Q3	Q4			
<b>Micro-Irrigation Prog</b>																			
a) forecast (january)													FS/DFP	FA	DWP			4,000,000.00	EDF
b) actual realised										PIF									
<b>Trade Capacity Bldg Prog</b>																			
a) forecast (january)													FS/DFP	FA	DWP			1,000,000.00	EDF
b) actual realised											PIF								
<b>Support to Parliament</b>																			
a) forecast (january)													FA					1,000,000.00	EDF
b) actual realised						PIF		DFP											
<b>VHSSP</b>																			
a) forecast (january)													FP	AWP				15,800,000.00	EDF
b) actual realised								PIF/FS	DFP									15,800,000.00	
<b>STABEX 1995</b>																			
a) forecast (january)													FA/DWP	AWP				18,252,872.00	STABEX
b) actual realised							DFP												

FS = Feasibility/Identification Study

PIF = Submission of Project Identification Fiche (where applicable)

DFP = Submission of Draft Financing Proposal to HQ

FA = Financing Agreement

DWP = Draft Annual Work Programme and Cost Estimate

AWP = Approved Annual Work Programme and Cost Estimate

**6.5. Indicative timetable for commitments and disbursements**

**PAYS:** Zimbabwe

Accounting N°	Title	date decision	date end of implementation	2005 extension to be requested Y/N *	Amounts in mio €			Source OLAS 31/12/2005			Forecast 2005						Amounts in mio €			
					Amount to be decommitted (O)	estimated risk decomm. 2005			Total global commitm.	Total individual commitm.	Total paid	1° semester 2005		2° semester 2005		Total 2005		estimated risk payments 2005		
						low p	medium q	high ** r				indiv comm. A	payments B	indiv comm. C	payments D	indiv comm. A+C	payments B+D	low x	medium y	high ** z
					O	p	q	r	A	B	C	D	A+C	B+D	x	y	z			
														B+D=x+y+z						
7.ACP.ZIM.003	Zimtrade Support Programme	04.02.1992		N	1,100,121.84	1,100,121.84		9,099,878.16	9,099,878.16	9,099,878.16										
7.ACP.ZIM.035	Return & Reintegration of G.	12.01.1994	31.12.1999	N	227,930.71	227,930.71		269,569.29	269,569.29	269,569.29										
7.ACP.ZIM.039	Faculty of Veterinary Science	12.03.1993		N	201,657.00	201,657.00		6,950,000.00	6,803,805.14	6,803,805.14		64,305.00					1,045.00	63,260.00		
7.ACP.ZIM.052	Gokwe North & South	13.10.1994		N	89,331.26	89,331.26		1,694,799.82	1,694,799.82	1,694,799.82										
7.ACP.ZIM.096	12th Microproject Programme	01.01.2000	30.06.2005	N				7,821,378.85	6,915,884.70	3,866,001.66		170,000.00		187,790.00		357,790.00	180,000.00	88,300.00	89,490.00	
7.ACP.ZIM.097	12th Microproject Programme	01.01.2000	30.06.2005	N	654,845.71	654,845.71		2,523,885.17	2,481,925.90	2,175,482.68		100,000.00		206,443.00		306,443.00	200,000.00	56,443.00	50,000.00	
8.ACP.ZIM.006	Support Services Framework	30.06.1998	31.12.2002	N	938,080.71	938,080.71		261,919.29	131,687.87	131,687.87										
8.ACP.ZIM.007	Agricultural Services & Mgt Prog.	13.10.1998	31.07.2003	N	4,074,062.41	4,074,062.41		1,925,937.59	1,925,937.59	1,925,937.59										
8.ACP.ZIM.010	HSSP I	01.01.2000	30.09.2006	N				24,500,000.00	18,873,187.49	15,051,554.84		1,980,000.00	5,435,370.00	6,800,000.00	4,967,000.00	8,780,000.00	7,892,370.00	2,010,000.00	500,000.00	
8.ACP.ZIM.011	ZDCP	01.01.1999	31.12.2004	N	49,733.00	49,733.00		5,886,954.17	5,839,087.74	5,754,868.20										
8.ACP.ZIM.013	ETRP	31.12.1999	31.12.2006	N				11,400,000.00	8,450,911.90	5,377,790.41		1,003,094.00	1,612,877.00	967,000.00	1,516,209.00	1,970,094.00	2,084,085.00	728,000.00	55,000.00	
8.ACP.ZIM.016	12th Microproject Programme	01.01.2000	30.06.2005	N				12,454,735.98	11,389,395.26	8,122,995.20		220,000.00	671,000.00	672,000.00	220,000.00	1,343,000.00	980,000.00	345,000.00	78,000.00	
8.ACP.ZIM.019	HSSP II	30.09.2006		Y				33,000,000.00	31,875,052.07	24,427,427.58		5,615,315.00	3,824,051.00	2,200,000.00	4,467,124.00	7,815,315.00	4,903,218.00	644,957.00	2,743,000.00	
9.ACP.ZIM.002	Technical Cooperation Facility	31.10.2010		N				1,400,000.00	62,291.00			410,000.00	25,000.00	385,000.00	410,000.00	410,000.00		410,000.00		
9.ACP.ZIM.003	ZDCP II	18.07.2003	14.10.2005	N				8,000,000.00	3,326,645.27	1,115,521.96		2,078,689.00	1,202,000.00	840,000.00	2,078,689.00	2,042,000.00	1,100,000.00	840,000.00	102,000.00	
					7,335,762.64			127,189,058.32	109,140,059.20	85,817,320.40		11,307,098.00	13,104,603.00	9,967,000.00	13,241,566.00	21,274,098.00	17,340,718.00	5,185,960.00	3,617,490.00	

31 December 2005: total RAL 66.47 mio €, of which 49.15 mio € old RAL  
 31 December 2005: total RAC 42.79 mio €, of which 10.87 mio € old RAC

     Indicates data provided by HQ services

\* if an extension will be requested, the necessary justifications have to be provided separately  
 \*\* if the risk is considered high, explanations to be provided separately; risks concerning decommitments linked to the categories (A,B,C and D) that were used during seminars of 2005 to define the RAL of a project.

Projects will be sorted on column "date decision" in order to determine the old RAL (projects decided before 2001)  
 The column "Extension to be requested" is obviously linked with the column "date fin de mise en oeuvre"  
 The column "amount to be decommitted" is in particular important for projects decided before 2001 (old RAL)

Dormant projects will be indicated in *italics*  
 Regional projects will be presented in a separate similar table by region but with the indication of 'delegation chef de file' for each project

Forecasts on primary commitments will be directly provided by the "Pipeline" (disque G)

## 6.6. Financial situation for 9th EDF\*

07.02.06 07:55:24		O L A S (option 1.6.8) 9 <sup>eme</sup> FED; Sans les Clotures;		ACCOUNTS BOOK PER COUNTRY ACP ZIM (ACP SAD) REGION SADC		de : a 02.2006		1 FELCER-P	
NO	COMPTABLE	LIBELLE(ENG. I OU CONTRAT)	MONT.-ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM.	A		
9	ACP SAD (ZIM)	3 Dec.10535/2 (2)AFI AIDCO/C/5 50075	041020 PROJETS REGIONAUX - APPUI PROJET	830.600,00	0,00	05-11-2003			
D		RIDER 1 : AUGMENTATION DE PLAFOND PROJET 8 ACP RAU 3	830.600,00	830.600,00	0,00	11-10-2004			
Del		2 SADC REGIONAL FOOD SECURITY TRAINING PROGRAMME	830.600,00	830.600,00	0,00				
TOTAL Cr. Deleques			830.600,00	830.600,00	0,00				
			Nbr.: Eng.I dont Cr.del dont						
			Total Clot.	Total Clot.					
Regional			1	1	176.653.719,16	830.600,00	830.600,00	0,00	0,00
*** TOTAL Pays			1	1	176.653.719,16	830.600,00	830.600,00	0,00	0,00

07.02.06 07:55:25		O L A S (option 1.6.8) 9 eme FED; Sans les Clotures;		ACCOUNTS BOOK PER COUNTRY ACP ZIM ZIMBABWE		de : a 02.2006		2 FELCPR-P	
NO COMPTABLE		LIBELLE (ENG. I OU CONTRAT)		MONT. ENGAGE		MASSE CR		SOLDE DATE OUV DATE FERM. A	
9 ACP ZIM	D	2 Dec.12916/1 (1) PES AIDCO/C/1 L-41 5/9	021010200120 POL.SECTORIELLE/PROJET/PROGRAMME-APPU	1.400.000,00	62.291,00	1.337.709,00	25-03-2004		
	Del	1 FRAMEWORK CONTRACT - END OF TERM EVALUATION OF ZDCP		62.291,00	0,00	62.291,00	15-09-2005		
		TOTAL Cr.Deleques		62.291,00	0,00	62.291,00			
9 ACP ZIM	D	3 Dec.12980/1 (1) PEC AIDCO/C/4 59965	021010200120 POL.SECTORIELLE/PROJET/PROGRAMME-APPU	8.000.000,00	3.326.645,97	4.673.354,03	13-08-2004		
	Del	1 ZDCP - ADMIN FUND PROGRAMME ESTIMATE (ZDCP) PHASE II		584.937,00	317.383,54	267.553,46	31-12-2004		
	Del	2 ZDCP - NATIONAL DEVELOPMENT FUND		781.948,00	234.721,80	547.226,20	23-02-2005		
	Del	3 ZDCP - LOCAL DEVELOPMENT FUND PROGRAMME ESTIMATE 1 FOR 2005		767.701,00	233.031,31	534.669,69	23-02-2005		
	Del	4 ERNST & YOUNG - AUDIT SERVICES TO ZDCP AWFS FOR 2005		52.700,00	2.144,62	50.555,38	05-08-2005		
	Del	5 PROGRAMME ESTIMATE TO COMPLETE OUTSTANDING LDF PROJECTS		185.238,97	57.571,69	127.667,28	03-11-2005		
	Del	6 PROGRAMME ESTIMATE 2 NDF		287.649,00	82.185,30	205.463,70	30-12-2005		
	Del	7 ADMIN FUND PROGRAMME ESTIMATE NO 2 + SPECIFIC COMMITMENT		666.472,00	188.483,70	477.988,30	05-01-2006		
		TOTAL Cr.Deleques		3.326.645,97	1.115.521,96	2.211.124,01			
9 ACP ZIM	D	4 Dec.13130/1 (1) PEC AIDCO/C/1 63044	021010200120 POL.SECTORIELLE/PROJET/PROGRAMME-APPU	8.000.000,00	0,00	8.000.000,00	01-07-2005		
		13TH MICROPROJECTS PROGRAMME							
		TOTAL Cr.Deleques		8.000.000,00	0,00	8.000.000,00			
9 ACP ZIM	D	5 Dec.13248/1 (1) PFI AIDCO/DEL/ZIM *80057	021020300120 AIDE D URGENCE AIDCO- APPUI PROJET	15.800.000,00	0,00	15.800.000,00	14-10-2005		
		VITAL HEALTH SERVICES SUPPORT PROGRAMME							
		TOTAL Cr.Deleques		15.800.000,00	0,00	15.800.000,00			
9 ACP ZIM	D	6 Dec.13313/1 (1) PES AIDCO/DEL/ZIM	021010200120 POL.SECTORIELLE/PROJET/PROGRAMME-APPU	0,00	0,00	0,00	01-02-2006		
		THREE YEAR ROLLING MULTI-DONOR PARLIAMENTARY SUPPORT PROG							
		TOTAL Cr.Deleques		0,00	0,00	0,00			
				Nbr.: Eng.I dont		Total Clot.		Total Clot.	
				Total Clot.		Total Clot.		Total Clot.	
				4		8		8	
Total Enveloppe A (cotonou)				4		8		8	
Total Enveloppe B (cotonou)				1		1		1	
*** TOTAL Pays				5		8		8	
				33.200.000,00		3.388.936,97		29.811.063,03	
				40.334.142,75		1.115.521,96		2.273.415,01	
				17.400.000,00		14.011.063,03		0,00	
				17.100.000,00		15.800.000,00		0,00	

## 6.7. Financial situation for 8th EDF\*

07.02.06 07:55:23	O L A S (option 1.6.8) 8 eme FED; Sans les Clotures;	ACCOUNTS BOOK PER COUNTRY ACP ZIM (ACP RAU) REGION AFRIQUE AUSTRALE	de :	a	02.2006	1 FELCPR-P
NO COMPTABLE	LIBELLE (ENG. I OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A	
8 ACP RAU (ZIM)	3 Dec.10535/1 (2)PFI AIDCO/C/5 50075 010470 AUTRES SUBVENTIONS FED 8			330.491,44	03-03-1999	
D FED/REG/06420/001	REGIONAL FOOD SECURITY TRAINING PROGRAMME	4.153.000,00		0,00	03-12-1999	13-09-2001
Del	1 AWP/CE 2000/ 1.1.-31.12.2000/IMPREST ACCOUNT	972.972,00		0,00	03-12-1999	13-09-2001
Del	2 SUPPLY CONTRACT MESACOM (UK)LTD.	23.418,06		0,00	03-12-1999	13-09-2001
Del	3 WP/CE NO 2-YEAR 2001 ; EUR 1.121.062.00	615.238,00		0,00	21-02-2001	02-09-2002
Del	4 AGRICONSULTING SPA; ZWD 36,566,061.00	233.403,07		0,00	06-07-2001	26-07-2005
Del	5 MESACOM UK; EUR 9,716.98	9.824,56		0,00	30-07-2001	27-11-2002
Del	6 CENTURY OFFICE SUPPLIES (PTY); EUR 13,807.81	14.579,24		0,00	30-07-2001	14-04-2003
Del	7 MESACOM UK LTD; GBP 15,012.75	24.329,63		0,00	27-08-2001	27-11-2002
Del	8 WP/CE NO 3 FOR 2002; EUR 1,237,753.00	625.343,00		0,00	09-11-2001	23-06-2003
Del	9 PMTC INTERNATIONAL LTD - 79.640	79.640,00		0,00	19-06-2002	25-03-2003
Del	10 SADC REGIONAL FOOD SECURITY PROG. 988.218 EUR	756.261,00		0,00	28-01-2003	26-07-2005
Del	11 SADC REGIONAL FOOD SECURITY TRAINING PROGRAMME - PE NO 6	467.500,00		116.096,00	29-08-2005	
	TOTAL Cr.Delequues	3.822.508,56	3.706.412,56	116.096,00		
Nbr.: Eng.I dont   Cr.del dont						
Total Clot.   Total Clot.						
Cooperat. Regional fed>7(LOME)	1	11	10	72.944.058,51	4.153.000,00	3.822.508,56
*** TOTAL Pays	1	11	10	72.944.058,51	4.153.000,00	3.822.508,56
						330.491,44
						116.096,00
						330.491,44
						116.096,00



07.02.06 07:55:24		O L A S (option 1.6.8) 8 eme FED; Sans les Clotures;		ACCOUNTS BOOK PER COUNTRY ACP ZIM ZIMBABWE		de : a 02.2006		2 FELCPR-P	
NO COMPTABLE	LIBELLE(ENG. I OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A				
8 ACP ZIM	6 Dec.10121/1 (1)PFI AIDCO/C/4 59965	010270 AUTRES SUBVENTIONS PROGRAMMABLES FED 8							
D FED/ZIM/07016/000	SUPPORT SERVICES FRAMEWORK CONTRACT	261.919,30	131.687,87	130.231,43	09-06-1998				
Del	1 SODETEG (SERVICE CONTRACT 8.2.2000 - 7.2.2003)	131.687,87	131.687,87	0,00	17-02-2000	04-10-2005			
	TOTAL Cr. Delequees	131.687,87	131.687,87	0,00					
8 ACP ZIM	7 Dec.10209/1 (1)PFI AIDCO/C/6 L-41 8/47	010270 AUTRES SUBVENTIONS PROGRAMMABLES FED 8							
D FED/ZIM/07011/000	AGRICULTURAL SERVICES AND MANAGEMENT PROJECT	1.925.937,59	1.925.937,59						
Del	1 TA CONTRACT MR. COLAS ZIKI/ 23.2.99-22.2.2000/12 MONTHS	165.667,56	165.667,56	0,00	23-07-1998				
Del	2 TA CONTRACT MR. AHMED JAMA/23.2.99-22.2.2000	227.984,10	227.984,10	0,00	03-03-1999	12-12-2001			
Del	3 AWP/ASMP 1.1.-31.12.1999/ EXT.TO 31.3.2000	988.768,14	988.768,14	0,00	28-04-1999	10-02-2005			
Del	4 SERVICE CONTRACT "IN DEVELOPMENT LTD." UK/3.5.99-12 DAYS	12.709,14	12.709,14	0,00	10-06-1999	12-12-2001			
Del	5 TA CONTRACT DR. HANS WALKER/9.6.99 - 130 MANDAYS	14.375,00	14.375,00	0,00	04-08-1999	12-12-2001			
Del	6 WP/CE 01/04/00 TO 31/12/00; ZWD 68,268,150.00	384.883,71	384.883,71	0,00	24-08-2000	09-02-2005			
Del	7 ASPM/AREF WP/CE 2001 FROM 01/05 TO 31/12/01; ZWD 13,620,870.	131.549,94	131.355,26	194,68	31-07-2001				
	TOTAL Cr. Delequees	1.925.937,59	1.925.742,91	194,68					
8 ACP ZIM	10 Dec.10444/1 (1)PFI AIDCO/C/5 L-41 10/58	010270 AUTRES SUBVENTIONS PROGRAMMABLES FED 8							
D FED/ZIM/07002/000	HEALTH SECTOR SUPPORT PROGRAMME	24.500.000,00	18.873.187,49	5.626.812,51	04-01-1999				
Del	1 GTZ; ZWD 58,453,708.00	2.062.000,00	2.003.439,19	58.560,81	23-06-2000				
Del	2 MRS P. DARIKWA; ZWD 4,150,000.00	165.521,86	165.521,86	0,00	23-08-2000	30-11-2005			
Del	3 WP/CE NO 1 BSDP; ZWD 153,000,000.00; 01/10/00 TO 31/12/01	1.700.298,16	1.700.298,16	0,00	09-08-2001				
Del	4 WP/CE NO 2 PMS; ZWD 23,870,000.00; 01/10/00 TO 31/12/01	474.286,45	474.286,45	0,00	09-08-2001				
Del	5 CE 1/3/02-28/2/03 - COMPONENT 1 & 3 - 39.696.431.05	945.000,00	540.213,12	404.786,88	22-05-2002				
Del	6 WP 4 - 01.06.03/31.05.04 - 1.109.800.500	634.171,72	379.408,92	254.762,80	02-09-2003				
Del	7 EUROPEAID/BIOVAC SA ZWD890.151.380,64/EUR944.507,80	944.507,40	944.507,40	0,00	05-04-2004	02-09-2005			
Del	8 EUROPEAID/117132/D/S/ZW-LOT 4 BUCHMANN ZWD1,380,428,800.00/	1.465.000,00	1.406.113,60	58.886,40	13-04-2004				
Del	9 BIO-RAD SA - EUR 500,000.00	500.000,00	500.000,00	0,00	23-04-2004				
Del	10 MISSIONPHARMA LOT1-EUROPEAID/117132/D/S/ZW ZWD 1,658,011,550	1.760.000,00	1.582.894,24	177.105,76	28-04-2004				
Del	11 MISSIONPHARMA LOT 3 - EUROPEAID/117132/D/S/ZW ZWD 2,192,950.20	982.000,00	963.582,40	18.417,60	28-04-2004				
Del	12 EUROPEAID/117133/D/S/ZW: CROWN AGENTS LOT 2, 4, 6 & 7	1.296.000,00	1.277.880,16	18.119,84	04-05-2004				
Del	13 AVAKASH LOT 2/EUROPEAID/117132/D/S/ZW-SOLID ORAL DOSES	1.534.095,81	636.635,64	897.460,17	18-05-2004				
Del	14 CLOVIT LOT 5/ EUROPEAID/117133/D/S/ZW- HEPATITIS B VACCINE	684.349,64	684.349,64	0,00	18-05-2004	14-10-2005			
Del	15 JOS GRAM HANSEN - EUROPEAID/116743/D/S/ZW LOT 1 - SUPPLY OF	245.000,00	244.875,00	125,00	19-07-2004				
Del	16 UNIT EXPORT LOT 2 - EUROPEAID/116743/D/S/ZW - GPB 18.347,10/	26.593,86	26.593,86	0,00	21-07-2004	17-11-2005			
Del	17 MRS P. DARIKWA; ZWD 512,000,000.00	85.010,44	24.966,72	60.043,72	10-09-2004				
Del	18 PROGRAMME ESTIMATE NO 5 - 1 OCTOBER 2004 TO 30 SEPTEMBER 2005	1.024.900,00	389.400,00	635.500,00	14-10-2004				
Del	19 EUROPEAID/120387/D/S/ZW LOT 3 - DRC ZWD 2,385,151,009.02 /	295.074,00	295.074,00	0,00	14-07-2005				
Del	20 EUROPEAID/120387/D/S/ZW LOT 4 - DRC ZWD 336,810,249.33 /	41.667,78	41.667,78	0,00	14-07-2005				
Del	21 EUROPEAID/120387/D/S/ZW LOT 2 - KAWECO ZWD 5,811,117,900.00/	718.910,37	718.910,37	0,00	15-07-2005				
Del	22 SERVICE CONTRACT FOR TECHNICAL ASSISTANCE - HSSP I	300.000,00	54.240,00	245.760,00	23-08-2005				
Del	23 DIRECT AGREEMENT FOR SUPPLY OF TEST KITS FOR NETS	488.800,00	0,00	488.800,00	04-11-2005				
Del	24 PROGRAMME ESTIMATE 6 FOR HSSP I	500.000,00	0,00	500.000,00	28-12-2005				
	TOTAL Cr. Delequees	18.873.187,49	15.054.858,51	3.818.328,98					
8 ACP ZIM	11 Dec.10447/1 (1)PFI AIDCO/C/4 59965	010270 AUTRES SUBVENTIONS PROGRAMMABLES FED 8							
D FED/ZIM/07013/000	ZIMBABWE DECENTRALIZED CO-OPERATION PROGRAMME	5.886.954,17	5.839.087,74	47.866,43	04-01-1999				
Del	1 AWP I 1.10.1999 - 31.3.2000	140.038,29	140.038,29	0,00	19-11-1999	28-06-2002			

ACCOUNTS BOOK PER COUNTRY ACP ZIM ZIMBABWE

NO COMPTABLE	LIBELLE(ENG.1 OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A
Del	2 WP/CE NO 2 FROM 01/07/00 TO 31/12/00; ZWD 10,042,627.00	194.471,22	194.471,22	0,00	23-08-2000 08-07-2002
Del	3 LDF SUB PROG 4 COMP A, B & C ACTIVITIES; ZWD 4,471,360.00;	844.471,90	844.471,90	0,00	25-08-2000 06-09-2004
Del	4 NDF SUB PROG 3 COMP A, B & C ACTIVITIES; ZWD 460,500.00;	140.518,45	140.518,45	0,00	25-08-2000 06-09-2004
Del	5 SHERWOOD EXPORT (PTY) LTD; ZWD 1,008,000.00	27.092,40	27.092,40	0,00	22-12-2000 12-12-2001
Del	6 SHERWOOD EXPORT (PTY) LTD; ZWD 475,600.00	11.807,06	11.807,06	0,00	22-12-2000 12-12-2001
Del	7 AMERICAN MOTORS (PRIVATE) LTD; ZWD 3,366,825.00	97.097,07	97.097,07	0,00	12-01-2001 28-06-2002
Del	8 XEROX LTD; CONTRACT NO ZDCP/02; ZWD 321,840.00	7.962,14	7.962,14	0,00	13-02-2001 24-09-2003
Del	9 KPMG; CONTRACT NO ZDCP/S08; ZWD 1,000,000.00	10.784,70	10.784,70	0,00	19-02-2001 19-06-2003
Del	10 WP/CE NO 3 FROM 01/03/01 TO 31/12/01; ZWD 28,335,900.00	901.177,18	901.177,18	0,00	30-04-2001 24-09-2003
Del	11 SHERWOOD EXPORT (PTY) LTD; ZWD 1,122,537.00	24.871,16	24.871,16	0,00	10-09-2001 28-06-2002
Del	12 SHERWOOD EXPORT (PTY) LTD; ZWD 294,200.00	6.518,35	6.518,35	0,00	10-09-2001 28-06-2002
Del	13 SHERWOOD EXPORT (PTY) LTD; ZWD 633,000.00	14.024,88	14.024,88	0,00	10-09-2001 28-06-2002
Del	14 LDF WP/CE 2002; ZWD 16,961,858.00	227.371,55	227.371,55	0,00	28-01-2002 30-12-2004
Del	15 NDF WP/CE 2002; ZWD 19,701,278.00	308.520,57	308.520,57	0,00	28-01-2002 24-09-2003
Del	16 AMERICAN MOTORS (PVT) LTD - 6.298.140	129.630,00	129.630,00	0,00	26-06-2002 30-12-2004
Del	17 LDF PROJECTS 28-31 ZWD 15.438.000	170.112,95	170.112,95	0,00	23-08-2002 06-09-2004
Del	18 WP/CE 4 FROM 1/7-31/12/02 - 35.041.373	442.139,96	442.139,96	0,00	27-08-2002 19-06-2003
Del	19 PARTICIP - 68.170 EURO	66.181,63	66.181,63	0,00	03-10-2002 18-08-2003
Del	20 ZDCP 01.01.03-31.12.03 - 81.172.011 ZWD	91.628,81	90.957,00	671,81	13-03-2003
Del	21 ZDCP - NATIONAL DEVELOPMENT FUND AWP - 89.493.277 ZWD	95.904,79	85.801,79	10.103,00	13-03-2003
Del	22 ZDCP - 2003 ADMINISTRATION ANNUAL WP - 108.218.845 ZWD	159.047,24	150.148,51	8.898,73	13-03-2003
Del	23 WP ZDCP - LDF PROJECTS 32-36 - 68.845.588 ZWD	311.792,33	311.792,33	0,00	09-04-2003
Del	24 ZDCP 696 326 EURO	514.777,52	509.253,52	5.524,00	05-02-2004
Del	25 ZDCP EUR 346473	218.392,65	196.492,65	21.900,00	09-02-2004
Del	26 ZDCP 523844 EURO	311.151,90	274.029,90	37.122,00	09-02-2004
Del	27 AWP - QUICK PROJECTS FOR 2004 - LOCAL DEVELOPMENT FUND	371.601,04	371.601,04	0,00	10-09-2004 24-11-2005
	TOTAL Cr.Delequees	5.839.087,74	5.754.868,20	84.219,54	

8 ACP ZIM	13 Dec.10919/1 (1)PFI AIDCO/C/5 L-41 10/31 010270 AUTRES SUBVENTIONS PROGRAMMABLES FED 8	11.400.000,00	8.450.911,90	2.949.088,10	22-10-1999
Del	D FED/ZIM/07009/000 EDUCATION TRANSITION AND REFORM PROGRAMME	11.400.000,00	8.450.911,90	2.949.088,10	22-10-1999
Del	1 DEVELOPMENT & TRAINING ASSOCIATES; ZWD 2,790,000.00	59.180,64	59.180,64	0,00	09-02-2001 18-02-2003
Del	2 WP/CE NO 1 FROM 01/02 TO 31/12/01; ZWD 25,896,180.00	90.447,69	90.447,69	0,00	31-07-2001 28-08-2002
Del	3 WP/CE 1/3-31/12/2002 - MIN OF EDUCATION - 55.327.104	600.262,20	600.262,20	0,00	18-03-2002 10-11-2004
Del	4 AMERICAN MOTORS (PVT) LTD - 1.306.870.73	26.980,00	26.980,00	0,00	27-08-2002 20-04-2004
Del	5 WP/CE 11/2002 - 04/2003 - ETRP - 33.395.861	46.063,00	46.063,00	0,00	05-12-2002 23-02-2004
Del	6 SERVICE CONTRACT SENAMO OY - 3.629.719 ZWD	54.500,10	54.500,10	0,00	30-04-2003 23-02-2004
Del	7 ETRP WP/CE - 01.03.03/31.12.03 - 1.100.986.405,60 ZWD	170.585,53	170.585,53	0,00	16-06-2003 30-09-2005
Del	8 STRABEX-MIN.OF FINANCE+ECONOMIC DEVEL. - 15.504.300 ZWD	14.490,00	14.490,00	0,00	17-06-2003 11-08-2004
Del	9 WP ETRP-SCHOOL IMPROVEMENT GRANTS 2 - 1.277.428.950 ZWD	425.809,65	425.809,65	0,00	18-08-2003 14-11-2005
Del	10 2004 AWP ETRP (19/01/04-31/12/04); 3.837.483,000 ZWD	437.092,34	437.092,34	0,00	23-02-2004 14-11-2005
Del	11 WP ETRP-SCHOOL IMPROVEMENTS GRANTS 3 - 2.977.629,600 ZWD	578.277,47	578.277,47	0,00	23-02-2004 28-10-2005
Del	12 SUPPLY OF STATIONERY BY MARVO	47.458,24	47.458,24	0,00	19-11-2004 26-07-2005
Del	13 ETRP - PROGRAMME ESTIMATE FOR 2005	1.920.000,00	827.305,71	1.092.694,29	31-12-2004
Del	14 AWP ETRP-SCHOOL IMPROVEMENT GRANT-SIG 4 ZWD 5,992,001,783.35	749.751,91	749.751,91	0,00	23-03-2005
Del	15 ETRP - SHOOOL IMPROVEMENT GRANT - SIG 5 & 6	423.786,13	423.786,13	0,00	06-09-2005
Del	16 WORK PROGRAMME 6.1.	2.731.627,00	803.419,80	1.928.207,20	29-12-2005
Del	17 WORK PROGRAMME 6.2. A FOR ETRP	74.600,00	22.380,00	52.220,00	30-12-2005

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NO COMPTABLE	LIBELLE (ENG. I OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A				
TOTAL Cr. Delequees		8.450.911,90	5.377.790,41	3.073.121,49					
8 ACP ZIM	16 Dec.11124/1 (3)PFI AIDCO/C/5 L-41 10/56 010281 MICROREALISATIONS FED 8	12.454.735,98	11.389.395,26	1.065.340,72	12-04-2000				
D FED/ZIM/07102/000	12TH MICROPROJECTS PROGRAMME	2.021.499,85	2.021.499,85	0,00	03-07-2001	12-08-2004			
Del	1 161 PROJECTS JANUARY 2001; ZWD 91.870.000.00	1.680.655,43	1.680.655,43	0,00	31-07-2001	10-12-2004			
Del	3 17 PROJECTS AUGUST 2001; ZWD 84.698.000.00	1.598.137,67	1.598.137,67	0,00	27-08-2001	12-08-2004			
Del	4 3 PROJECTS AUGUST 2001; ZWD 18.545.000.00	494.080,00	213.766,21	280.313,79	19-09-2001				
Del	5 20 PROJECTS JANUARY 2002; ZWD 39.716.000.00	821.000,00	765.189,24	55.810,76	05-03-2002				
Del	6 9 PROJECTS FEBRUARY 2002; ZWD 17.066.000.00	353.000,00	23.539,31	329.460,69	07-03-2002				
Del	7 110 PROJECTS SEPTEMBER 2002 - ZWD 253.935.000 (+ 7 ZIM 096)	29.190,80	29.190,80	0,00	03-10-2002	10-12-2004			
Del	8 VIRTUAL COMPUTERS ZWD 386366000	55.398,06	55.398,06	0,00	14-06-2004	19-09-2005			
Del	9 EDUCATION PROJECTS	1.019.993,63	509.996,82	509.996,81	16-09-2004				
Del	10 2005 PROGRAMME ESTIMATE	1.182.794,47	449.108,33	733.686,14	23-12-2004				
Del	11 MFP CLOSURE PROGRAMME ESTIMATE 01.07.2005 - 28.02.2006	970.372,00	439.296,81	531.075,19	01-07-2005				
Del	12 GWERU REGIONAL CLOSURE PE - 01.07.2005 TO 28.02.2006	32.747,25	6.130,80	26.616,45	25-07-2005				
Del	13 HARARE REGIONAL CLOSURE PE - JULY 2005 TO 28 FEB 2006	46.513,66	31.893,39	14.620,27	25-07-2005				
Del	14 MASVINGO REGIONAL PE - JULY 2005 TO 28 FEB 2006	40.530,01	5.868,77	34.661,24	25-07-2005				
Del	15 MUTARE REGIONAL PE - 26.07.2005 TO 28.02.2006	39.263,56	11.775,81	27.487,75	26-07-2005				
Del	16 BULAWAYO REGIONAL PE - 26.07.2005 TO 28.02.2005	45.155,15	9.454,58	35.700,57	26-07-2005				
Del	17 MFP SUPPLEMENTARY PROJECTS FOR HEALTH, EDUCATION & RURAL DEV	906.977,72	272.093,32	634.884,40	03-08-2005				
Del	18 ERNST & YOUNG AUDIT CONTRACT	52.086,00	0,00	52.086,00	29-09-2005				
TOTAL Cr. Delequees		11.389.395,26	8.122.995,20	3.266.400,06					
8 ACP ZIM	17 Dec.11560/1 (1)STA AIDCO/C/6 294748 TRANSFERT STABEX	2.826.032,01	2.762.036,17	63.995,84	08-12-2000				
S	Franchise art 195 a - coton	2.762.036,17	0,00	2.762.036,17	12-06-2001				
*sieg	1 STABEX/18/REP LIV 2ND PR/ZIM REPAYMENT AGREEMENT ART 195(A)	2.762.036,17	0,00	2.762.036,17					
TOTAL Cr. Delequees		2.762.036,17	0,00	2.762.036,17					
8 ACP ZIM	19 Dec.11668/1 (1)PFI AIDCO/C/5 L-41 10/58 010270 AUTRES SUBVENTIONS PROGRAMMABLES FED 8	33.000.000,00	31.875.052,07	1.124.947,93	14-03-2001				
D FED/ZIM/07002/001	HEALTH SECTOR SUPPORT PROGRAMME II	65.559,92	65.559,92	0,00	11-02-2002	10-11-2004			
Del	1 DEVECON OY; ZWD 3.467.500.00; ZIM/01/02	26.841,40	26.841,40	0,00	29-05-2002	28-08-2002			
Del	2 EVA MARIANNE SCHURMAN - 1.455.276	58.129,00	58.129,00	0,00	23-08-2002	18-11-2004			
Del	3 ZIM/02/03 - PRICEMATERHOUSECOOPERS - 3.000.641	2.101.608,62	2.101.608,62	0,00	05-09-2002	22-09-2005			
Del	4 EUROPEAD/5/L5-BUCHMANN MEDICAL CARE & SERV. -87.488.756,25	2.644.881,47	2.609.090,19	35.791,28	06-09-2002				
Del	5 LOT 4 - MISSIONPHARMA INTERNAT.PROJECT SERV. - 110.057.073	604.881,04	523.973,57	80.907,47	06-09-2002				
Del	6 LOT 2 - MISSIONPHARMA INTERN.PROJECTS SERV. - 25.238.758,20	8.390.907,29	8.347.418,44	43.488,85	09-09-2002				
Del	7 LOT 3 - CROWN AGENTS - 349.634.313	2.938.000,00	2.933.052,78	4.947,22	13-09-2002				
Del	8 LOT 1 - CROWN AGENTS - 123.490.976,25	1.437.945,00	937.000,35	500.944,65	21-01-2003				
Del	9 TECHNICAL ASSISTANCE - AEDES - 51.146.936	99.710,00	99.710,00	0,00	12-03-2003				
Del	10 S.N. LABORATOIRES LA FRAN - 5.404.023 ZWD	237.213,67	237.213,67	0,00	27-03-2003	23-11-2004			
Del	11 SUPPLIES CONTRACT WITH EUTON SA LOT 10 - 12.856.364,40 ZWD	58.966,87	58.966,87	0,00	27-03-2003	04-11-2004			
Del	12 SUPPLIES CONTRACT S.BUCHMANN LOT N.8 - 3.195.856 ZWD	21.173,56	21.173,56	0,00	27-03-2003	10-11-2004			
Del	13 SUPPLIES CONTRACT S.BUCHMANN LOT N.9 - 1.147.552 ZWD	163.632,55	163.632,55	0,00	27-03-2003	10-11-2004			
Del	14 SUPPLIES CONTRACT S.BUCHMANN LOT N.1 - 8.868.460 ZWD	218.826,83	218.826,83	0,00	07-04-2003	31-01-2005			
Del	15 SUPPLIES CONTRACT JOS HANSEN - 11.859.859 ZWD	211.219,49	211.219,49	0,00	14-04-2003	26-11-2004			
Del	16 SUPPLIES CONTRACT WITH HAEMOTEC - 11.447.547,24 ZWD								

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NO COMPTABLE				LIBELLE (ENG. I OU CONTRAT)				MONT. ENGAGE		MASSE CR		SOLDE DATE OUV		DATE FERM. A			
Del																	
Del	17	SUPPLIES CONTRACT DIGITRON BUSINESS SYSTEM	11.935.042,56	ZWD	220.214,30			0,00	02-05-2003	25-11-2004							
Del	18	UNIT EXPORT LTD - 26.800.000 ZWD			492.169,36			0,00	02-06-2003	21-10-2004							
Del	19	LAFRAN LOT 5 - 12.471.500			264.612,51			3,50	03-06-2003								
Del	20	SUPPLIES ELKONT GMBH - 2905770.25 ZWD			53.614,57			0,00	08-07-2003	13-12-2004							
Del	21	HERA 279335000 ZWD			78.945,00			0,00	13-11-2003	10-11-2004							
Del	22	PRICE WATERHOUSECOOPERS 15 600 00 ZWD			19.500,00			0,00	12-02-2004	16-08-2004							
Del	24	SUPPLY CONT HOOK&TUCKER ZENYX 141.721.700ZWD BLOOD GROUP MAC			150.000,00			2.985,79	14-04-2004								
Del	25	WP HEALTH SECTOR SUPPORT PROGRAMME II 01122003-30112004			620.000,00			372.000,00									
Del	26	K2 TECH TOP - HIV/AIDS CONFERENCE EUR 79.937.00			67.946,45			0,00	30-04-2004	17-02-2005							
Del	27	WP-SAFE BLOOD SUPPORT TO NBTS- 01.04.04-30.11.04 EUR 321.000			321.000,00			198.600,00	22-07-2004								
Del	28	ENHANCED PLANNING FOR HIV/AIDS-01/05/04-30/11/04 EUR 585.000			585.000,00			366.800,00	26-07-2004								
Del	29	FEASIBILITY STUDY FOR HEALTH SECTOR PROGRAMME III			84.890,49			0,00	06-10-2004	21-09-2005							
Del	30	CROWN AGENTS LOT 1-EUROPEAID/119112/D/S/ZW- EUR 1,922,030.86			1.923.000,00			548.757,49	21-10-2004								
Del	31	CROWN AGENTS LOT 2-EUROPEAID/119112/D/S/ZW- EUR 1,257,164.77			0,00			0,00	22-10-2004	03-11-2005							
Del	32	BUCHMANN- EUROPEAID/119112/D/S/ZW -LOT 5 DISPOSABLE MED SUPP			1.375.965,20			179.210,00	30-11-2004								
Del	33	T N FINANCIAL SERVICES-TECHNICAL ASSIST.TO NBTS EUR25,650.00			24.887,44			0,00	08-12-2004	17-11-2005							
Del	34	SUPPLY CONTRACT-PHARMACEUTICAL & CHEMICAL DISTRIBUTORS LOT 3			2.381.261,49			1.774.049,69	02-03-2005								
Del	35	2ND WORK PROGRAMME FOR HEALTH SECTOR SUPPORT PROGRAMME II			295.700,00			211.490,00	31-05-2005								
Del	36	ENHANCED PLANNING FOR HIV/AIDS 1.6.05-31.5.06 EUR 560.000			560.000,00			398.750,00	31-05-2005								
Del	37	ESSENTIAL DRUGS WP NR 2/1.6.2005-31.5.2006 EUR782,000			782.000,00			558.050,00	31-05-2005								
Del	38	PHARMACEUTICAL & CHEMICAL DISTRIBUTORS (PCD) LOT 4			1.036.856,27			0,00									
Del	39	SUPPLY OF ANTI-TB DRUGS TENDER 119112/D/S/ZW			1.257.992,28			0,00									
				TOTAL Cr. Delequees				31.875.052,07		24.427.427,58		7.447.624,49					
				Nbr.: Eng.I dont   Cr.del dont													
				Total Clot.   Total Clot.													
Programme Indicatif (LOME)				7				132		67		89.429.547,04		78.485.259,92			
Hors programme Indicatif (LOME)				1				1		0,00		2.826.032,01		2.762.036,17			
*** TOTAL Pays				:				8		133		67		92.255.579,05		81.247.296,09	
														60.795.370,68		11.008.282,96	
																20.451.925,41	

## 6.8. Financial situation for 7th EDF\*

NO COMPTABLE	LIBELLE (ENG. I OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A
ACCOUNTS BOOK PER COUNTRY (ACP RPR/COOPERATION REGIONALE ACP)					
ACP ZIM					
de : a 02.2006					
1 FELCPR.P					
07:02:06	O L A S (option 1.6.8)				
07:55:13	7 <sup>eme</sup> FED; Sans les Clotures;				
Del	7 ACP RPR (ZIM) 94 Dec.143/1 (1) AIDCO/C/6 L-41 8/47 010203 SUBVENTIONS	3.970.000,00	3.896.115,48	73.884,52	22-06-1993
Del	D FED/REG/07402/000 RESEAU DE RECHERCHE SUR L'AMELIORATION DU MAIS ET DU BLE	3.970.000,00			
Del	1 5-YEAR SERVICE CONTRACT WITH CIMMY/ EXTENDED BY 1 YEAR	3.789.620,81	3.789.620,81	0,00	22-06-1994 21-02-2005
Del	2 MAIZE AND WHEAT IMPROVEMENT RESEARCH NETWORK FOR SADC REGIO	0,00	0,00	0,00	05-07-1994 09-10-1996
Del	3 TENDER 3954 SUPPLY OF PRINTERS FROM DENMARK	4.699,03	4.699,03	0,00	24-10-1995 18-09-1997
Del	4 TENDER 3954 LOT 1 SUPPLIER QUALITY ENTERPRISES	13.164,82	13.164,82	0,00	20-12-1995 22-07-1997
Del	5 TENDER 3910 LOT 3 SUPPLIES WITH QUALITY ENTERPRISES	54.008,48	54.008,48	0,00	21-12-1995 22-07-1997
Del	6 SUPPLY CONTRACT WITH UNIVERSAL INFORMATION SYSTEMS	0,00	0,00	0,00	06-02-1996 22-07-1996
Del	7 TENDER 3910 LOT 1 SUPPLY CONTRACT WITH QUEST MOTOR CORP	28.670,79	28.670,79	0,00	20-05-1996 27-05-1998
Del	8 SUPPLY CONTRACT TENDER 3954 LOT 4 BY KUAEK OG KUAEK (REPLACE	5.951,55	5.951,55	0,00	22-07-1996 27-05-1998
TOTAL Cr.Delequies		3.896.115,48	3.896.115,48	0,00	
Del	7 ACP RPR (ZIM) 306 Dec.507/1 (2)PFI AIDCO/C/5 L-41 10/41 010203 SUBVENTIONS	1.000.000,00	938.550,00	61.450,00	07-04-1994
Del	D FED/ZIM/05004/001 FACULTY OF VETERINARY SCIENCE (+7ZIM39) .	1.000.000,00			
Del	1 AMP 1995/6	52.000,00	45.504,33	6.495,67	25-04-1995
Del	2 FIVE-YEAR WP 1996 TO 2001	873.440,00	841.426,59	32.013,41	03-06-1996
Del	3 7-MONTH LANGUAGE COURSE FOR MR VIGARIO	0,00	0,00	0,00	29-07-1996 30-09-1996
Del	4 06/2002-12/2004 - TRAVEL COSTS SCHOLARS - 13.110 EURO	13.110,00	10.040,00	3.070,00	04-10-2002
Del	5 MULTI-ANNUAL WORK PROG 01.03.2004 TO 31.08.2004	0,00	0,00	0,00	01-06-2004 06-02-2006
TOTAL Cr.Delequies		938.550,00	896.970,92	41.579,08	
Nbr.: Eng.I dont Cr.del dont					
Total Clot. Total Clot.					
Programme Indicatif	(10ME)	2	13	10	1128.158.893,28
*** TOTAL Pays	:	2	13	10	1128.158.893,28
		Decide	Engage	Paye	Non engage
		4.970.000,00	4.834.665,48	4.793.086,40	135.334,52
		4.970.000,00	4.834.665,48	4.793.086,40	135.334,52
					41.579,08
					41.579,08

07.02.06 07:55:17		O L A S (option 1.6.8) 7 eme FED; Sans les Clotures;		ACCOUNTS BOOK PER COUNTRY ACP ZIM ZIMBABWE		de : a 02.2006		2 FELCPR-P	
NO	COMPTABLE	LIBELLE (ENG. I OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A			
7	ACP ZIM	3 Dec-816/1 (1)PFE AIDCO/DEL/ZIM	9.099.878,16	9.099.878,16	0,00	30-04-1992			
D	FED/ZIM/06001/001	ZIMTRADE SUPPORT PROGRAMME	35.526,57	35.526,57	0,00	24-08-1992	18-12-1996		
Del		1 TRADE DEV. INST. OF IRELAND	0,00	0,00	0,00	25-08-1992	18-12-1996		
Del		2 SUPPLEMENTARY ANNUAL WORK PROGRAMME 91/2	0,00	0,00	0,00	27-08-1992	03-10-1996		
Del		3 TRADE DEV. INST. OF IRELAND	0,00	0,00	0,00	27-04-1993	30-03-2000		
Del		4 T.A. CONTRACT WITH TDI IRELAND	7.488,67	7.488,67	0,00	14-05-1993	22-11-1994		
Del		5 SERVICE CONTRACT ZIM 93/7 WITH MRS MATSWETU	379.197,98	379.197,98	0,00	20-07-1993	04-10-1995		
Del		6 ANP/CE 1993/4	47.032,12	47.032,12	0,00	14-03-1994	06-11-1997		
Del		7 SERVICE CONTRACT ZIM/94/01 WITH MRS NYONI	646.303,31	646.303,31	0,00	19-08-1994	03-07-1997		
Del		8 SECOND ANNUAL WORK PROGRAMME (AWPII)	358.921,14	358.921,14	0,00	02-08-1995	20-08-1997		
Del		9 THIRD ANNUAL WORK PROGRAMME (ANP 3) FROM 1/7/95 TO 30/6/96	200.402,05	200.402,05	0,00	30-09-1996			
Del		10 FOURTH ANNUAL WORK PROGRAMME FROM 1/7/96 TO 30/6/97	114.556,31	114.556,31	0,00	17-10-1996	06-11-1997		
Del		11 SERVICE CONTRACT-DANISH FEDERATION SMALL & MEDIUM ENT.	317.831,61	317.831,61	0,00	13-08-1997			
Del		12 FIFTH ANNUAL WORK PROGRAMME/ 6.8.97-5.98/ 9 MONTHS	9.099.878,16	9.099.878,16	0,00				
TOTAL Cr.Deleques			269.569,29	269.569,29	0,00	15-02-1994			
7	ACP ZIM	35 Dec-1727/11 (11)PEP AIDCO/C/4 L-41. 09/7 010213 COOP. TECHNIQUE GENERALE	269.569,29	269.569,29	0,00	20-10-1994			
D	FED/REG/06018/001	RETURN & REINTEGRATION QUALIFIED AFRICAN NATIONALS PHASE	269.569,29	269.569,29	0,00				
Del		1 OIM VOIR 7 RPR 287	269.569,29	269.569,29	0,00				
TOTAL Cr.Deleques			6.803.805,14	6.803.805,14	146.194,86	07-04-1994			
7	ACP ZIM	39 Dec-507/2 (2)PFE AIDCO/C/5 L-41 10/31 010203 SUBVENTIONS	6.950.000,00	6.950.000,00	0,00	08-03-1995	08-09-1995		
D	FED/ZIM/05004/001	FACULTY OF VETERINARY SCIENCE (+7RPR306).	1.133,44	1.133,44	0,00	28-04-1995	23-04-1998		
Del		1 PUBLICATION OF WORKS TENDER NOTICE	10.460,81	10.460,81	0,00	27-06-1995	23-04-1998		
Del		2 CE FOR MUNICIPAL PLANNING APPROVAL	46.076,87	46.076,87	0,00	06-09-1995	12-12-2001		
Del		3 A.T. CONTRACT WITH GTZ GERMANY	143.050,25	143.050,25	0,00	07-09-1995	12-12-2001		
Del		4 SERVICE CONTRACT NO. ZIM/95/9 WITH OVE ARUP	1.839.111,05	1.839.111,05	0,00	08-12-1995	23-04-1998		
Del		5 WORKS CONTRACT ZIM/95/10 WITH RIO DOURO CONSTRUCTION	25.969,54	25.969,54	0,00	08-12-1995	23-04-1998		
Del		6 SUPPLY OF VEHICLES	60.188,23	60.188,23	0,00	13-12-1995	15-03-2002		
Del		7 SUPPLY OF VEHICLES	2.546.153,37	2.546.153,37	0,00	01-03-1996	16-02-1998		
Del		8 LINK CONTRACT 24/11/95 TO 23/11/97 UTRECHT/UNIV ZIM	77.156,56	77.156,56	0,00	05-06-1996	23-02-1999		
Del		9 ANP 1996 AMBULATORY CLINIC	21.608,91	21.608,91	0,00	09-07-1996	23-04-1998		
Del		10 TENDER 3910 SUPPLY CONTRACT WITH QUEST MOTOR CORP	26.655,94	26.655,94	0,00	09-07-1996	23-04-1998		
Del		11 SUPPLY CONTRACT WITH SYSTEMS TECHNOLOGY ZIMBABWE	23.491,07	23.491,07	0,00	09-07-1996	23-04-1998		
Del		12 SUPPLY CONTRACT WITH BUSINESS EQUIP. CORP. ZIMBABWE	37.609,40	37.609,40	0,00	09-07-1996	23-04-1998		
Del		13 SUPPLY CONTRACT WITH XERO DOWNTIME ZIMBABWE	53.506,54	53.506,54	0,00	09-07-1996	23-04-1998		
Del		14 SUPPLY CONTRACT WITH MANAGED HEALTH CARE ZIMBABWE	53.942,68	53.942,68	0,00	17-07-1996	23-04-1998		
Del		15 SUPPLY CONTRACT UNDER TENDER 3979 WITH LPE CONSULTANCY NL	44.193,47	44.193,47	0,00	17-07-1996	23-04-1998		
Del		16 SUPPLY CONTRACT TENDER DEROGATION WITH SCHIAPPARELLI NL	117.922,84	117.922,84	0,00	22-07-1996	03-07-1997		
Del		17 SUPPLY CONTRACT TENDER DEROGATION WITH LEICA GERMANY	89.040,90	89.040,90	0,00	08-08-1996	02-08-1999		
Del		18 SUPPLY CONTRACT TENDER 3910 LOT 1 WITH QUEST MOTOR ZIMBABWE	35.682,33	35.682,33	0,00	08-08-1996	02-08-1999		
Del		19 ZIM10747 DZOMA BLESSING MUNYARADZI	35.559,40	35.559,40	0,00	08-08-1996	02-08-1999		
Del		20 ZIM10750 MURONDOTI ABSOLOM	35.368,27	35.368,27	0,00	08-08-1996	02-08-1999		
Del		21 ZIM10752 MUSHONGA BORDEN	45.085,09	45.085,09	0,00	08-08-1996	02-08-1999		
Del		22 ZIM10753 NDONGU MASIMBA	35.965,64	35.965,64	0,00	08-08-1996	02-08-1999		
Del		23 ZIM10755 ZANAMWE ELMA TARISAYI SIKALA	34.280,48	34.280,48	0,00	18-09-1996	02-08-1999		
Del		24 ZIM10735 TIVAPASI MUSAVENGANA TAPERA	28.421,16	28.421,16	0,00	18-10-1996	30-04-1999		
Del		25 ZIM10748 KANDIWA ERICK							

07.02.06 07:55:21		O L A S (option 1.6.8) 7 eme FED; Sans les Clotures;		ACCOUNTS BOOK PER COUNTRY ACP ZIM ZIMBABWE		de : a 02.2006		3 FELCPR-P	
NO COMPTABLE		LIBELLE (ENG. I OU CONTRAT)		MONT. ENGAGE		MASSE CR		SOLDE DATE OUV DATE FERM. A	
Del	26	ZIM10751	MUSARA COLIN	28.387,29	28.387,29	0,00	18-10-1996	30-04-1999	
Del	27	ZIM10746	CHAMANZA RONNIE	46.353,17	46.353,17	0,00	18-10-1996	02-08-1999	
Del	28	ZIM10909	WOODS FAMELA SHIRLEY ALICE JORGENSEN	43.857,29	43.857,29	0,00	02-07-1997	08-07-2002	
Del	29	MID TERM EVALUATION/SERV. CONTR. WITH AFC/6 MONTHS/7-12/1997		49.711,47	49.711,47	0,00	31-07-1997	23-02-1999	
Del	30	ANP CE 1997/98/ AMBULATORY CLINIC/1.7.97-30.6.98		16.548,10	16.548,10	0,00	21-08-1997	23-02-1999	
Del	31	SUPPLY CONTRACT WITH FRANNAN MEDICAL LTD., LONDON		93.927,04	93.927,04	0,00	04-09-1997	08-08-2001	
Del	32	ANNUAL WORK PROGR. 1.7.98 - 30.6.99/ AMBULATORY CLINIC		38.162,63	38.162,63	0,00	10-07-1998	08-08-2001	
Del	33	ZIM10975	CHAPWAYA ASPINAS	65.176,68	65.176,68	0,00	14-07-1998	19-04-2002	
Del	34	ZIM10976	SIBANDA SITHEMBILE	61.554,72	61.554,72	0,00	14-07-1998	19-04-2002	
Del	35	ZIM10978	MUNAIWA GONDAL KELLY	61.460,41	61.460,41	0,00	20-08-1998	30-04-2002	
Del	36	ZIM10980	HAMILTON-BROWNE LOLENE	0,00	0,00	0,00	11-12-1998	18-11-1999	
Del	37	DANISH VET. INST. FOR VIRUS RESEARCH/ 35 DAYS		51.364,68	51.364,68	0,00	14-12-1998	04-05-1999	
Del	38	SUPPLY CONTR. QUEST MOTOR CORPORATION		37.269,00	37.269,00	0,00	15-02-1999	12-12-2001	
Del	39	ZIM10982	DZIKITI TARISAI BRIGHTON	38.745,27	38.745,27	0,00	14-07-1999	15-01-2002	
Del	40	ANP/CE 1.7.1999-30.6.2000/COLLABORATIVE RESEARCH		104.883,23	104.883,23	0,00	22-07-1999	08-08-2001	
Del	41	ZIM10983	MUKARATIRWA SYDNEY	42.924,21	42.924,21	0,00	19-08-1999	15-01-2002	
Del	42	ZIM10977	HOVE TOKOZANI	59.244,54	59.244,54	0,00	13-06-2000	08-11-2005	
Del	43	ZIM10489	ERLWANGER KENNEDY HONEY	30.475,27	30.475,27	0,00	13-06-2000	08-11-2005	
Del	44	ZIM10494	RUZIWA SPENCER DOUGLAS	73.159,90	73.159,90	0,00	13-06-2000	08-11-2005	
Del	45	WP/CE 01/07/00 TO 31/12/00; ZWD 1.511.579.24		27.356,92	27.356,92	0,00	24-08-2000	12-12-2001	
Del	46	CRAC WP/CE YEAR 2001; ZWD 2.859.035.24		63.155,50	63.155,50	0,00	03-07-2001	28-11-2002	
Del	47	CE 1/4-31.12.2002 - FAC. OF VETERINARY SCIENCE - 19.762.397,6		266.007,37	266.007,37	0,00	19-04-2002	05-08-2004	
Del	48	L.F.VAN DE VELDE - 1.576.427		29.532,00	29.532,00	0,00	03-12-2002	24-09-2003	
Del	49	FACULTY OF VETERINARY SCIENCE - 7.816.000 ZWD		6.914,21	6.914,21	0,00	12-03-2003	21-02-2005	
TOTAL Cr. Delequees				6.803.805,14	6.803.805,14	0,00			
7	ACP ZIM	52	Dec.1551/1 (2)PFI AIDCO/C/7	1.694.799,82	1.694.799,82	0,00	08-10-1994		
D	FED/ZIM/07001/000		GOKWE NORTH & SOUTH RURAL WATER SUPPLY & SANITATION (+7/5	302.523,67	302.523,67	0,00	21-09-1995	15-03-2000	
Del		1	2-YEAR REC CONTRACT WITH MR DEVILLEZ FROM OCT. 1995	447.904,85	447.904,85	0,00	25-04-1996	26-01-1998	
Del		2	ANP/CE 1996/7 GOKWE NORTH AND SOUTH	278.239,56	278.239,56	0,00	22-07-1996	12-12-2001	
Del		3	SUPPLY CONTRACT TENDER 4066 LOTS 1-3 QUEST MOTOR ZIMBABWE	40.451,07	40.451,07	0,00	22-07-1996	12-12-2001	
Del		4	SUPPLY CONTRACT TENDER 4066 LOT 4 SABATA HOLDINGS ZIMBABWE	619.565,29	619.565,29	0,00	02-12-1997		
Del		5	ANNUAL WORK PROGRAMME 20.11.97-19.11.98	6.115,38	6.115,38	0,00	07-08-1998	26-01-1999	
Del		6	SERVICE CONTR. INST. OF WATER AND SANITATION DEV./21.7.87/3M.			0,00			
TOTAL Cr. Delequees				1.694.799,82	1.694.799,82	0,00			
7	ACP ZIM	96	Dec.11124/2 (3)PFI AIDCO/C/5 L-41 10/56 010204 MICRO-REALISATIONS	7.821.378,85	7.821.378,85	905.494,15	12-04-2000		
D	FED/ZIM/07102/000		12TH MICROPROJECT PROGRAMME	10.972,81	10.972,81	0,00	31-07-2001	23-07-2002	
Del		1	M.K.ACHUEME; ZWD 510.773.00; REVIEW OF INSTITUT FRAMEWORK	19.996,02	19.996,02	0,00	21-03-2002	26-09-2003	
Del		2	RADIUS OFFICE SOLUTIONS - 996.511,65	1.369.523,98	1.369.523,98	0,00	15-05-2002	23-02-2004	
Del		3	CE 1/4-31/12/2002 - 73.631.200	2.432.475,00	2.432.475,00	1.953.039,57	08-10-2002		
Del		4	110 PROJECTS SEPTEMBER 2002 - ZWD 253.935.000 (+BZIM 016-7)	284.712,21	284.712,21	0,00	29-04-2003	19-09-2005	
Del		5	12TH MICROPROJECT PROGRAMME - 306.872.703 ZWD	520.593,34	520.593,34	168.983,64	15-09-2003		
Del		6	NEW EDUCATION SECTOR PROJECTS - 1.097.380.000 ZWD	346.165,34	346.165,34	118.249,48	15-09-2003		
Del		7	NEX RURAL DEV. & HEALTH PROJECTS - 693.496.000 ZWD	1.284.167,00	1.284.167,00	481.453,78	02-12-2003		
Del		8	MP 1.284.167 EURO	419.737,00	419.737,00	209.868,50	14-09-2004		
Del		10	COST EXTENSION -PROJECTS FOR EDUCATION, HEALTH & RURAL DEV	159.242,00	159.242,00	79.621,00	15-09-2004		
Del		11	RURAL DEVELOPMENT PROJECTS						

07.02.06 07:55:25		O L A S (option 1.6.8) 7 eme FED; Sans les Clotures;		ACCOUNTS BOOK PER COUNTRY ACP ZIM ZIMBABWE		de : a 02.2006		4 FELCPR-P			
NO	COMPTABLE	LIBELLE(ENG. I OU CONTRAT)	MONT. ENGAGE	MASSE CR	SOLDE DATE OUV	DATE FERM. A					
Del		12 12TH MPP - QUICK SUPPLEMENTARY PROJECTS	68.300,00	29.632,93	38.667,07	15-12-2004					
		TOTAL Cr.Delequees	6.915.884,70	3.866.001,66	3.049.883,04						
7	ACP ZIM	97 Dec.11124/3 (3)PFI AIDCO/C/5 L-41 10/56 2960630199 AUTRES FINANC.SUR RELIQ.5E FED	2.523.885,17	2.481.925,90	41.959,27	12-04-2000					
D	FED/ZIM/07102/000	12TH MICROPROJECT PROGRAMME	1.511.739,46	1.511.739,46	0,00	03-07-2001	23-02-2004				
Del		1 WF/CE ADMIN BUDGET 2001; ZWD 49,464,000.00	161.073,61	161.073,61	0,00	09-01-2002	11-03-2003				
Del		2 UNIT EXPORT LTD; ZWD 7,812,624.00	116.818,05	116.818,05	0,00	09-01-2002	11-03-2003				
Del		3 GEEST OVERSEAS LTD; ZWD 5,708,226.00	30.186,58	30.186,58	0,00	09-01-2002	25-03-2003				
Del		4 GEEST OVERSEAS LTD; ZWD 1,496,110.00	49.221,76	49.221,76	0,00	13-11-2002	23-02-2004				
Del		5 AGRISYSTEMS - 2.709.000	612.886,44	306.443,22	306.443,22	15-09-2004					
Del		6 NEW HEALTH PROJECTS									
		TOTAL Cr.Delequees	2.481.925,90	2.175.482,68	306.443,22						
Nbr.: Eng.I dont			Total Clot.			Cr.del dont			Total Clot.		
Programme Indicatif (LOME)			5	79		68					
Hors programme Indicatif(LOME)			1	6		5					
Ajustement Structurel (LOME)				36.000.000,00		0,00					
*** TOTAL Pays			6	124.121.457,46		85		73			
				28.359.511,29		27.265.863,01		23.909.536,75		1.093.648,28	
				21.734.054,07		1.051.689,01		3.049.883,04		306.443,22	
				2.175.482,68		41.959,27		0,00		0,00	
				0,00		0,00		0,00		0,00	
				23.909.536,75		1.093.648,28		3.356.326,26			



### **6.9. Financial situation for 6th EDF\***

Not applicable to Zimbabwe. The 6<sup>th</sup> EDF has been closed.

### **6.10. Sector fiches, including budget support**

Not applicable to Zimbabwe.

### **6.11. Project sheets (CRIS based Project Implementation Reports)\***



## Project Summary

Name	DEVELOPING COMMUNITIES PROGRAMME (ZDCP) PHASE II			
Reference	FED/ZW/12980			
Sector DAC	15150 - Strengthening civil society			
State	Ongoing			
Geographical zone	ZW - Zimbabwe			
EU contribution	8,000,000.00 EUR			
Last updated	15/03/2006			
Decision date				
Commitment date (BL)				
Starting date				
Expected end date				
Financial convention reference	12980			
Delegation and person in charge	ZW - Zimbabwe KALENGA Linda DEL / HRE tel: +263 4 338158 fax: +263-4-338165 e-mail: Linda.KALENGA@cec.eu.int			
Financial data				
Year	Committed	Contracted	Paid	Remainder to pay
-				

## **1. Description**

The ZDCP is a programme which is in direct support to the population and is a follow up to first phase which ran for five years (after an extension) from 1999 to 2004. The second phase began in January 2005 and will run until December 2008. The programme reinforces Government decentralisation policy by involving civil society in programming, implementation and evaluation of poverty alleviation initiatives in accordance with the objectives of Articles 70 and 71 of the Cotonou Agreement. The overall objective of the programme is poverty alleviation in rural and urban areas of Zimbabwe and its purpose is to improve in a sustainable way both the livelihoods of poor and disadvantaged communities and the capacities of Non State Actors in service delivery, policy research and advocacy. Support is focused on community driven initiatives in the sectors of health, education, food security and economic empowerment as well as capacity building of Non State Actors at all levels. The programme takes a processes approach which ensures that the community is fully involved through out the project cycle and looks at the processes involved in development as well as the physical outputs. The programme is implemented in ten districts and twenty wards in all the regions of the country (Southern, Northern, Western, Midlands and Eastern). The programme has two intervention windows: the Local Development Fund to finance grassroots activities and the National Development Fund to support regional and national level activities.

The planned results of the programme which number six are the following:

- 1). Capacities of communities and NSAs at local and district levels are strengthened through training and institutional development.
- 2). Self-reliance of poor and disadvantaged rural and urban communities are promoted through poverty focused projects in the sectors of economic empowerment, food security, health and education, with full regard to gender, HIV/AIDS and environmental considerations.
- 3). Organisational development of NSAF and the TFU (Technical Facilitation Unit), with special emphasis on co-ordination of interventions, networking consensus building and advocacy, are strengthened.
- 4). Regional and national NSA capacities for policy research and advocacy with special emphasis on issues expressed by participating communities and their representative structures (NSAF) are strengthened.
- 5). Information systems and communication networks for and between NSAs, partner agencies and target communities are developed and strengthened.
- 6). Programme is efficiently and effectively managed.

## **2. Origin, context and key assessments**

In February 2002, the General Affairs Council of the EU took a Decision to suspend support for all EC-funded projects in Zimbabwe except those in direct support of the population, particularly those in the social sectors. This decision was followed by a restructuring of the existing programmes, under which the Zimbabwe Decentralised Co-operation Programme was launched in September 1999 for four years. The programme was then extended for a year and ended in 2004. The programme was deemed necessary to be continued through a new programme, leading to the formulation of a second phase of the programme aptly named the Zimbabwe Developing Communities Programme as its emphasis is on community development with a participatory approach. The Programme will run from January 2005 to December 2008. The ZDCP is supervised by a Tripartite Steering Committee (TSC) made up of representatives of the EC, the Government of Zimbabwe represented by the National Authorising Officer and the Non State Actors Forum. The TSC assumes overall responsibility and is the governing body which oversees the implementation of the programme. The day to day administrative and financial management, accounting and technical aspects are the responsibility of the Technical Facilitation Unit. Two evaluations, mid term and end of term, are foreseen for the programme.

## **3. Summary of project implementation**

The Programme started on a slow note in January 2005 because of the two main positions, that of Imprest Administrator (National Co-ordinator) and Imprest Accounting Officer (Finance and Administration Manager), being vacant. The Posts were filled in July and September. Training programmes were carried out for communities and Non State Actors under the processes component of the Local Development Fund. Capacity building of communities and non state actors is one of the main aims of the ZDCP so that they can both implement and manage development initiatives efficiently and effectively. Exchange visits were also facilitated so that communities could learn from each other and share information. New districts were selected and structures were accordingly put in place. Project proposals to enhance self reliance were submitted and analysed for the 5 old districts. Implementation of the 7 outstanding projects from phase 1 continued. Organisational development of the Non State Actors Forum (NSAF) progresses significantly with the setting up of the NSAF secretariat. It is intended that the NSAF emerge with a clear national identity, strong organisational structure and capacity to sustain its secretariat from its own resources.

#### **4. Changes in the context and in the key assessment areas**

The macro economic environment continues to deteriorate and is highly inflationary. Prices are unstable and rise on a daily basis. This has resulted in some delays in implementation because quotations are only valid for twenty four hours.

#### **5. Progress in achieving objectives**

As a result of the programme communities are better able to organise themselves to work towards improving their communities. They have also been empowered to advocate for development of their communities and to identify their needs and take part in the addressing of those needs. The capacities of communities have also been improved through the different training programmes on issues like leadership and governance, gender and environment related awareness.

#### **6. Financial execution**

Commitments and Payments for 2005

For the Administration programme estimate, EUR 584,973 was committed and EUR 317,383.54 was paid.

For the NDF programme estimate, EUR 781,948 was committed and EUR 234,721.80 was paid.

For the LDF programme estimate, EUR 767,701 was committed and EUR 233,031.31 was paid.

A specific commitment of EUR 185,238.97 was made for completion of outstanding projects and EUR 57,571.69 was made. Another specific commitment of EUR 52,571.69 was made for audits and EUR 2,144.62 was paid.

#### **8. Cross-cutting and other issues**

Crosscutting issues are being integrated and addressed in the programme. Gender equality is being promoted through ensuring that women participate in the project cycle and in decision-making. There has been a conscious effort made to secure seat for women in the different committees at local, regional and national levels. The environment is also being integrated and forms part of the guidelines for selection of projects. HIV/AIDS is being integrated by ensuring that there is non discrimination people infected with HIV/AIDS when it comes to participating in the programme. People affected and infected with HIV/AIDS are beneficiaries of the economic empowerment project and some districts with the highest numbers of Orphans and Vulnerable Children (OVC), most of whom have been orphaned by HIV/AIDS.



## Project Summary

Name	12TH MICROPROJECT PROGRAMME			
Reference	FED/ZW/11124			
Sector DAC	16050 - Multisector aid for basic social services			
State	Ongoing			
Geographical zone	ZW - Zimbabwe			
EU contribution	22,800,000.00 EUR			
Last updated	15/03/2006			
Decision date				
Commitment date (BL)				
Starting date				
Expected end date				
Financial convention reference	11124			
Delegation and person in charge	ZW - Zimbabwe TAKAWIRA Stancilas DEL / HRE tel: *80057 e-mail: Stancilas.TAKAWIRA@cec.eu.int			
Financial data				
Year	Committed	Contracted	Paid	Remainder to pay
-				

## 1. Description

The 12th Microprojects Programme forms part of a Medium Term Plan covering the period 2000-2006. The programme is expected to finance approximately 450 projects in the sectors of rural development, health and education. It will provide socio-economic infrastructure and equipment for people residing in communal, resettlement and small scale commercial farming areas. The proposed sectoral allocation of project funds under the programme is 50% for rural development, 20% health and 30% education.

## 2. Origin, context and key assessments

### Origin

The micro-project instrument was introduced as part of the mechanisms for channelling development assistance from the European Commission to ACP states in 1975 following the launch of the first Lomé Convention.

The Zimbabwe/EU Microproject Programme has been in operation since 1982. Since that time 11 successive programmes have been funded under the Lomé II, III, and IV conventions for a total of 53 million Euro. The programme purpose is to assist local communities with financial and technical support to plan, implement and control sustainable projects in the sectors of education, health and rural development in accordance with the provisions of the Lomé IV Convention.

### Context

The intervention strategy for the programme focuses on the traditional activities under the previous three microproject programmes. The sectoral allocation of project funds and the types of sectoral interventions proposed from the 12th MPP are:

Rural Development 50% of the proposed project budget

Education: 30% of the proposed budget

Health: 20% of the proposed project funds.

The intervention strategy mirrors the national development priorities for the three intervention sectors of rural development, education and health and the recommendations of the ITAD evaluation. Over time, policy and strategy has evolved in response to the evolution in government policy, moving from an initial emphasis on the expansion and rehabilitation of rural health and education infrastructure to a focus on rural development, income generation and employment creation.

## 3. Summary of project implementation

- Project progressing quite well.
- 796 projects funded since 2000 and split as follows: 88 rural developments, 102 Health and 606 Education.
- A mid term evaluation was done in 2002.
- A 20 percent rider to the financing agreement was approved in 2002.
- Projects materials audit commenced in 2004
- Time extension rider was approved in April 2005
- PWC monitoring mission carried out in August-September 2005

## 4. Changes in the context and in the key assessment areas

1. The special focus on land projects in Kariba District did not materialise due to delays experienced in the demarcation of land by the District Development Fund. The Programme had to withdraw the Project Officer responsible for Kariba and merged the functions with that of the province as a whole.

### Assumptions:

1. Macro-economic instability stifled project implementation due to the hyperinflationary environment characterised by shortages of goods and services, shortage of foreign currency, etc and this caused major delays in project implementation. Frequent price escalations caused by inflation created unprecedented high number of requests for supplementary project funds. The fuel shortages impacted negatively on project appraisal, implementation and monitoring activities.

2. Declining government support for social infrastructure projects as well as in project design, planning and supervision of projects. The weakening economy has caused deterioration in social conditions and gross under-funding of the public services

resulting in shortages of medical personnel and teachers and lack of medical and learning supplies. The important role-played by the government agencies in project design, supervision and monitoring has weakened.

3. Recurrent droughts and increasing poverty levels- this has affected the ability by communities to contribute towards project costs in both cash and kind. Over the years, the local communities have become more food focused and devote less of their time, labour and meager savings to development projects.

4. Rising unemployment and increasing poverty continue to create challenges for the MPP.

### **5. Progress in achieving objectives**

Project progressing well as seen by the following results:

- 88 rural development projects completed.
- 606 health projects completed
- 102 health projects completed

The achievements surpass the targets set in the Financing Agreement with the exception of rural development projects. In terms of funding, the bulk of the funds have gone towards education sector projects and health projects.

Multiplier effects were witnessed especially in the completed irrigation and rural electrification projects. Irrigation projects generated employment opportunities by improved crop production and marketing and by improved nutrition for neighbouring communities.

In the late 1990s, the Programme took a policy position to fund infrastructural projects such as piped water, irrigation, grazing and borehole drilling projects in old resettlement areas settled under the Land Reform and Resettlement Programme (LRRP) Phase II. A number of projects have been funded under the 12th MPP which focus on Phase II resettlement areas.

### **6. Financial execution**

Current financial situation (14.03.06)

- Primary Commitment: 7 ACP ZIM 96, 7 ACP ZIM 97, 8 ACP ZIM 016

22,800,000.00

- Contracts

20,787,205.86

- Payments

14,164,479.54

- RAL

6,622,726.32

### **7. Issues arising and action required**

- Hyperinflationary environment resulting in escalating costs of goods and services.
- Macro-economic difficulties making project sustainability difficult.

- Shortage of essential project in-puts, e.g. fuel, cement
- Reduced community participation in projects as families divert their energies to look for food.
- Communities unable to mobilise resources for project implementation as well as for repair and maintenance of infrastructure due to increased poverty levels.
- Staff shortages in the health sector affecting service delivery.
- The impact of HIV/AIDS has reduced participation in projects as time and resources are spent attending to the sick or dead.
- Decline in collaboration by government and non-governmental organisations due to the macro-economic situation.
- Increasing poverty levels and the effects of drought.

#### **8. Cross-cutting and other issues**

##### **1. Gender mainstreaming at project level**

The programme has encouraged gender equality in all funded projects. MPP staff have been trained in gender issues to assist them in mainstreaming gender.

##### **2. Environmental intergration**

Mpp staff have been trained in environmental intergration for development projects. Rural development projects have an EIA carried out before their approval.

##### **3. HIV/AIDS**

The programme has not made headways in funding HIV/AIDS related projects even though this is a priority area.





## Project Summary

Name	HEALTH SECTOR SUPPORT PROGRAMME II			
Reference	FED/ZW/11668			
Sector DAC	12110 - Health policy and administrative management			
State	Ongoing			
Geographical zone	ZW - Zimbabwe			
EU contribution	33,000,000.00 EUR			
Last updated	15/03/2006			
Decision date				
Commitment date (BL)				
Starting date				
Expected end date				
Financial convention reference	11668			
Delegation and person in charge	ZW - Zimbabwe CHIPHERA Calisto DEL / HRE tel: *80057 e-mail: Calisto.CHIPHERA@cec.eu.int			
Financial data				
Year	Committed	Contracted	Paid	Remainder to pay
-				

## 1. Description

Under HSSP 1 & 11, the EU supports access to affordable quality district health services, supply of vital and essential drugs and ensures the continued availability of safe blood, the prevention, treatment and control of HIV/AIDS and other common diseases. Since 2000 the European Commission has been supporting the health sector through two programmes which are jointly managed by the Commission and the Ministry of Health and Child Welfare. Between 2000 and 2006, a total of EURO 57.5 million has been committed to the health sector and is administered in joint co-operation with the Ministry of Health and Child Welfare. The first Programme was for EURO 24.5 million and the second one which started in 2002 was for EURO 33 million. The two Programmes are implemented as one project and will come to an end in September 2006.

## 2. Origin, context and key assessments

Project objectives are

i) to promote social justice through improved quality of life amongst the most vulnerable by developing a sustainable and efficient health system. ii) to reduce the incidence and alleviate the impact of HIV/AIDS and other priority diseases in Zimbabwe

Project purposes are:

i) to ensure the continued availability of safe blood and the supply of essential drugs for the prevention, treatment and control of HIV/AIDS and other communicable and non communicable diseases, ii) support people's increased access to affordable quality health services and in particular district health services.

## 3. Summary of project implementation

Concrete results/expected results

Through the two Programmes the following results have been achieved

### 1. Procurement of Vital And Essential Medicines

Through the two programmes a total of EURO 25 million has been spent in the procurement of vital and essential medicines which have been bought and used in the public health institutions since 2002, improving the drug availability nationally to about 60%. The procurement exercise is continuing with one tender still to supply single dose anti TB drugs and EURO 5.8 million drugs are in the pipeline. There are two tenders which are currently on float for EURO 8 million. These are likely to start supplying in the first quarter of 2006. Five Tonne trucks were procured to assist in the drug delivery to health institutions. The overall effect of the programmes have been an injection of 9 -12 million worth of vital and essential medicines in the public health delivery system, improving the drug availability at public health institutions to over 60%. The vital and essential drugs as defined in Zimbabwe are life saving drugs and they should be available in the country at 90%. Some of the drugs that have been procured are essential for opportunistic infections and without them it is difficult for institutions to meet the needs of patients infected by HIV.

### 2. Procurement of Vaccines

The critical situation in the country in 2003 forced the EC to move some of the available resources to procure EPI vaccines. A year's supply of vaccines was procured and used between 2004 and 2005. A financial commitment of EURO 3 million was made to this effect. This has resulted in immense improvement in the EPI coverage for the country which now stands at 80.1%.

### 3. Hospital Equipment and Spare Parts

With a budget of EURO 1.9 million the programmes have procured suction pumps, surgical instruments, steam generators and sterilization units for public health institutions. Some of the funds will be used to revitalize some of the old equipment through procurement of spare parts and this will be done in the first quarter of 2006.

### 4. National Blood Transfusion Service (NBTS)

The NBTS has been supported to revitalize most of its laboratory equipment, cold rooms, donor recruitment equipment, apheresis machines and vehicles. The programmes have also procured blood bags and test kits for use by NBTS. This capital injection has taken a financial commitment from the programmes of EURO 3 million. This has sustained NBTS for a while and like most organizations in this country it is still not able to meet the national demand but it is still able to produce half of this requirement.

### 5. Primary Care Counsellors

Since 2004, the Ministry has started a new cadre specifically for counseling on HIV and AIDS. EURO 500,000.00 has been set aside to train this cadre who will work in the public health institutions.

#### 6. Technical Assistance Support

Technical assistance provision has been given to the Ministry of Health and Child Welfare, National Pharmaceutical Company of Zimbabwe (NatPharm), National Blood Transfusion Service. This has been mainly for capacity building in management, strategic planning, financial management and monitoring of drug distribution. Technical assistance has taken up EURO 4 Million of the overall budget of the two programmes.

#### 4. Changes in the context and in the key assessment areas

Both programmes are operating in an increasingly difficult context. The Zimbabwean is in a crisis: -40% GDP deficit and fiscal policies have resulted in large deficits. Inflation has reached 782% in March 2006 and government expenditure is declining in real terms. The increasingly tight foreign exchange situation and inflation are to a large extent responsible for the inadequate supply of drugs and lack of maintenance of essential equipment.

The Zimbabwean health sector has experienced a rapid erosion of the number of skilled medical professionals due to low morale and low salaries. This widening human resource crisis threatens to affect the effectiveness of HSSP I and II.

The 18 February 2002 decision of the EU General Affairs Council has seriously affected HSSP. Its reprogramming took one year and public private collaboration component was terminated. HSSP II was not affected as its HIV/AIDS related activities were deemed to be of direct benefit to the population.

#### 5. Progress in achieving objectives

The EU is currently Zimbabwe's major co-operating partner in the health sector. The EU operates in partnership and works within the framework of National Health Policies and Strategies to maximise the use of available national resources. Between 2000 and 2006, a total of EURO 67.25million (US \$ 87 million) has been committed to the health sector.

EUR 57.5 million is administered in joint co-operation with the Ministry of Health and Child Welfare and EUR 10.25 million through working directly with NGOs.

Activities in support of districts, all over the country are as follows:

- Provision of Vital and Essential Drugs, Vaccines and Supplies to Zimbabwe.

The estimated yearly drug need in Zimbabwe is Euro 34 million per year. In 2004 The EU procured drugs at the value of 10 million Euros and programmed for 2005 12.000 million Euros. The European Commission has supported the supply of vaccines for 2004 at a value of 3,2 million Euro.

- Equipping The Health Services

Much of the equipment at hospitals and health facilities is outdated. The EU will support up to 1,950 million Euros worth of urgent repairs or replacement equipment in 2005.

- Support to National Blood Transfusion Services.

In 2003 and 2004 the EU supported National Blood Transfusion Services by procuring machines, vehicles, reagents, test kits and blood products at a value of 3 million Euros. The allocated support for 2005 is 1,0 million Euros.

- Institutional Strengthening of Natpharm

This entails aid of EURO 1,82million worth of technical assistance to ensure the efficiency of Natpharm in procurement, storage and distribution of drugs.

- Coordination of HIV/AIDS activities

The EU has a budget allocation of EUR 0.75 million to help co-ordinate HIV and AIDS prevention and support activities. In June 2004, the EC was the major donor for the first national AIDS Conference. It also supports training of primary care nurses in counselling and care of HIV infected persons. These activities will be continued in 2005.

- Support to Decentralisation.

The EU supports the improvement of the district health authorities' management capacity. This is carried out through provision of technical assistance in areas such as monitoring and supervision, budget control and procurement procedures

## 6. Financial execution

Date of signature of the contract: 16/06/1999 and 22/07/2001

Starting date of activities: 8 ACP ZIM 010:01/10/2000  
8 ACP ZIM 019:01/12/2001

Ending date of Activities: ACP ZIM 010:30/09/2006  
8 ACP ZIM 019:30/09/2006

Operational duration : 8 ACP ZIM 010:72 months  
8 ACP ZIM 019:58 months

Total Amount Euro 57.5 million

EC contribution Euro 57.5 million

## 7. Issues arising and action required

Problems and envisaged solutions

Problem Envisaged Solution

1. The Midterm Review found that vaccine procurement by International Tender is not as cost effective as purchasing directly from UNICEF.

2. HSF is greatly appreciated by provincial and district health authorities and is of key importance for the smooth operation delivery at the district level (especially in an inflationary environment, where suppliers demand cash payment and delays in payments through the government voucher system are creating massive problems). HSF has been decapitated due to decreasing revenues in user fees as all maternity, under 5 and over 65 services became free of charge from 2003. Maintaining HSF is still highly relevant According to Financial Agreement GoZ is committed to ensure that an amount agreed with the EC is disbursed on a quarterly basis into the HSF.

It was agreed that an amount equal to 10 million Euro be channelled to the HSF in 2004, and this was achieved. For 2005 Z\$ 19 billion has been disbursed into the HSF.

3. Macroeconomic conditions are making it difficult for planners in the sector to come up with reasonable budgets and plans for the future. The shortage of foreign currency and health staff in the country is envisioned to continue. Natpharm is now accessing foreign currency from the Reserve Bank at ZWD 824.00 to 1 US dollar. For 2005 NatPharm has managed to access US 2.5 million from the Reserve Bank at 824.

Upcoming Events or Activities

An external evaluation was conducted by PWC/South Africa.  
Funds limited for activities planned.

Contracts for the spare parts were signed and deliveries are in progress. New Drug tender was published on 22 September 2005 and contracts are expected to be signed early 2006. Deliveries of drugs, vaccines and trucks from old contracts are at varying stages of completion.

Vehicles/Trucks for drug distribution were procured and now in operation.

Training for district management continues.



**8. Cross-cutting and other issues**  
Efforts to mainstream gender and HIV/AIDS in the two programmes will continue



## Project Summary

Name	EDUCATION TRANSITION AND REFORM PROGRAMME			
Reference	FED/ZW/10919			
Sector DAC	11110 - Education policy and administrative management			
State	Ongoing			
Geographical zone	ZW - Zimbabwe			
EU contribution	11,400,000.00 EUR			
Last updated	15/03/2006			
Decision date				
Commitment date (BL)				
Starting date				
Expected end date				
Financial convention reference	10919			
Delegation and person in charge	ZW - Zimbabwe TAKAWIRA Stancilas DEL / HRE tel: *80057 e-mail: Stancilas.TAKAWIRA@cec.eu.int			
Financial data				
Year	Committed	Contracted	Paid	Remainder to pay
-				

## 1. Description

The objective of the Programme is to improve access and learning outcomes of poor children, particularly girls, in primary and secondary education in eight poor districts of the country.

### 1) Institutional capacity building :

Short-term technical assistance, workshops, in-country short courses for :

- improved system for financial management, planning, budgeting and policy analysis
- A more efficient and equitable allocation of public resources/ annual expenditure reviews
- Development of national norms and minimum standards in terms of learning materials
- Enhanced capacity in financial management at school level

### 2) School Improvement Grants in four very poor Districts :

- Increased participation of disadvantaged children in primary education/ lower drop-out rate in the transition to secondary
- Reducing the share of total recurrent costs born by families from 44% to 7,5%.
- Improving learning outcomes.

### 3) Support to disadvantaged children in four less poor Districts :

- Increase participation of targeted disadvantaged children, especially girls : 48 800 children will benefit annually under the form of vouchers for levies in primary school ; 8 800 (70% girls) in secondary school.

## 2. Origin, context and key assessments

### Origin

The Education Transition and Reform Program (ETRP) was designed and appraised in 1999 to address short-term urgent needs, and support policy reforms necessary for the transition towards a more equitable, efficient and sustainable education system. The decision to adopt the ETRP approach was reached after extensive consultations with the Ministry of Education, Sport and Culture and funding agencies who formed the Education Sector Support Group (ESDG). The GoZ and ESDG agreed on an Education Sector Transition and Reform Programme (ESTARP) and to work towards a Sector Development Programme (SDP). The ETRP component arose from the ESTARP concept paper. The GoZ and EU agreed not to postpone support to the education sector whilst awaiting the approval of the Sector Development Programme. Thus a pilot programme, ETRP was proposed to support 2 complementary goals: poverty alleviation through targeting disadvantaged communities and families and supporting decentralisation and strengthening capacity the Sector Development Programme by learning lessons of experience from the pilot phase.

### Context

The program is intended to address short-term urgent needs and support policy reforms necessary for the transition towards a more equitable, efficient and sustainable education system. The specific program purpose is to improve access and learning outcomes of poor children, particularly girls in primary and secondary schools in eight districts.

### Key assessments

1. At the time of design of ETRP, the GOZ and development partners had made a strong commitment to moving towards an integrated Sector Development Programme (SDP).
2. ETRP was to give direct support to primary and secondary education and focus on technical areas of strengthening economic and financial policy, planning, focusing models, information systems, improved cost and cost effective analysis and long term financial sustainability.

## 3. Summary of project implementation

- Project under implementation but it is behind implementation schedule by almost two years due to late start.
- A mid term evaluation was done in 2002/2003.
- Under the School Improvement Grant Component, 7 disbursements have been made since the start of the project. Preliminary

figures collected following the disbursement of School Improvement Grants, have shown that enrolment could be maintained and even increased by 9%. The programme complements the per capita grant support from Government and support from other partners.

-7,577 children have been assisted under the Vouchers and Scholarships component . Support toffered include payment of fees, purchase of uniforms and assistive devices.

Training and capacity building at school and community levels in progress.

-Data base software for OVCs developed and established in districts.

-Districts received logistical support in the form of computers and internet access, photocopiers, fax machines, vehicles etc

-Jointly funded the baseline survey on OVC's with UNICEF.

#### **4. Changes in the context and in the key assessment areas**

1. Reduction of the scope of the programme following the General Affairs Council decision of 18 February 2002. The decision directed that ETRP support be oriented towards activities which directly benefitted the population. This led to the exclusion of the reform component of the programme and the post of Policy Advisor from funding.

The programme had to be re-adjusted in line with the GAC decision and also funds were re-allocated following additional observations made by the Mid-Term evaluation of 2003 and the the 2003 external monitoring mission.

2. Withdrawal of partners in the Education Sector Support Group (ESDG)

This meant that complementary work in education was lost especially the ETRP policy reform component where the EU and ESDG were to co-finance the Education Reform Fund for short studies, workshops and operational expenditure on specific issues regared as necessary for enhancing progress towards a Sector Development Programme and the decentralisation process.

##### **Key assessments**

1. Macro-economic instabilirty

The programme was affected by economic environment especially the inflationery environment and the fixed exchange rate regime and the shortages of foreign currency.

2. Challenges impacting on education

These include drought, poverty, food shrtages and HIV/AIDs which impacted on access and learning outcomes. Communities could not afford to support schools through the payment of levies.

3. Declining budget support for the social sectors

Government budget support continued to increase in absolute terms but declined in real terms. The budget was further eroded by inflation. Schools failed to adequately procure school materials and to provide quality education services.

#### **5. Progress in achieving objectives**

-Enrolment rate increased by 9% in SIG districts

-Pupil to book ration from 1:10 at the beginning of the programme to 1: 5

-7,577 disadvantaged children in less poor districts assisted.

#### **6. Financial execution**

Current financial situation:14.03.06

-Primary Commitment

11,400,000.00

-Contracts

8,534,881.90

-Payments

5,377,790.41



- RAL  
3,157,091.49

## **7. Issues arising and action required**

### Issues

1. Financial and asset management is still weak in some schools.
2. Inadequate resources for district staff to monitor and supervise schools and teachers.
3. Results of data collection are not sufficiently used at local levels and programme reports are not quantitative enough.
4. Contribution from Ministry of Education Sport and Culture is increasing in absolute figures but decreasing in real terms.
5. Personnel turnover is high in some districts and schools
6. Co-ordination with other stakeholders at district level is weak.

### Action required

1. More in service training required for all schools.
2. Make available resources to district staff for monitoring and supervision activities
3. Programme to encourage use of data and information to improve on implementation. Programme to improve on its data collection and dissemination.
4. Continuous dialogue needed with Government to increase budgetary allocations for non-salary recurrent costs in primary and secondary education.
5. Explore incentives together with Ministry and stakeholders to motivate, encourage and attract qualified staff to stay in post.
6. Action plans need to be developed and implemented in view of better co-operation between all donors and stakeholders, at district level;

## **8. Cross-cutting and other issues**

HIV and AIDS awareness campaigns on improved behavioral change were held in six districts namely Mudzi, Buhera, Bindura, Chegutu, Mwenzezi and Chilimanzi reaching more than 10,000 people – including children, teachers, parents and community leadership.

Advocacy for girls workshops conducted in districts

A total of over 400 people who included teachers, parents, church leaders, community leaders and girls were trained in advocacy for girls' education in order to improve the girls' enrolment in schools, to improve the transition rates of girls from primary schools to secondary education and to improve the pass rates for girls.

## 6.12. Counterpart funds\*

No activity. Please refer to Section 3.5.5

## 6.13. Regional projects\*

### PROJECT PROFILE

Unit: AIDCO/C/5

Delegation Project Manager: Mr Lighton Dube

Delegation Counsellor: Mr A. Tillessen

1. Project Title: SADC Regional Food Security Training Programme
2. Project Number: 8.ACP.RAU.003/ 9.ACP.SAD.003
3. Source of Funding: 8<sup>th</sup> EDF/ 9<sup>th</sup> EDF
4. Previous Funding: 5.5 M€(7.ACP.RPR.085)
5. Basic Administrative Data:

Type of project	Food security
Country	SADC Member states
Financing agreement number	6151/REG
Signature of the FA	13.08.1999
Start date	01.01.2000
Implementation deadline	31.12.2005
Operational duration	5 years
Convention budget	
➤ Total	6,042,600.00
➤ EU 8 <sup>th</sup> EDF	4,153,000.00
➤ EU 9 <sup>th</sup> EDF	830,600.00
➤ National counterpart	1,059,000.00
Financial Situation as at 31.12.2005	
➤ Total Primary Commitment	4,983,600.00
➤ Total Individual Commitments	4,653,108.56
➤ Total Payments	4,537,012.56
➤ RAL	446,587.44

6. Implementing Agency: SADC RFSTP Regional Training Unit
7. Project Management: SADC RFSTP Regional Training Unit  
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8. Technical Assistance: Agriconsulting S.p.A., Italy up to May 2004.
9. External Auditors: PriceWaterhouseCoopers
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## 11. Project description

- Project purpose
  - The purpose of the programme is to enhance the quality of service, advice and analysis provided by organisations in SADC concerned with food, agriculture and natural resources. Training would be provided in the key focal areas of food policy, household food security, and trade and marketing.
- Expected Results
  - The overall result of this programme will be a technically relevant and sustainable regional food security training system that is responsive to SADC's future needs and for which there is a demand, including:
    1. Increased quality and quantity of food security training services
      - An important outcome will be increased quality and quantity of food security training offered at national and regional levels, following the development of 15 new regional training programmes in the three key focal areas of food policy, household food security, and trade and marketing. The capacity of regional training centres to offer food security training programmes in response to changing demand will have been strengthened. A system for accrediting training programmes so that training centres can design and offer regional courses in response to demand will also be initiated. At least 21 such courses should be accredited by the RTU by year 5.
    2. Effective awareness for food-security training developed and strengthened
      - The programme will have developed an accreditation system and assisted Regional Training Institutions to develop and implement relevant courses. Awareness will have been strengthened by improving training quality, offering cheaper training places, and by publishing training opportunities.
    3. Regional market for food security training developed
      - A system for marketing or sponsoring food security training courses will have been developed and implemented, together with an information system to support a food security training market.
- The envisaged activities to deliver the above-mentioned results can be summarised as follows:
  1. Increasing the quality and quantity of food security training services
    - Review needs within region and conduct market research;
    - Develop and implement 15 new training programmes in the three key focal areas;
    - Develop further the Resource and Documentation Centre; and
    - Provide resources to strengthen capacity of 14 Regional Training Institutions.
  2. Developing awareness for food security training
    - Develop a system for screening, evaluating, and monitoring trainees;
    - Implement a work attachment programme (20 places per year for 5 years); and
    - Strengthen communications between Regional Training Unit, training centres, and stakeholders.
  3. Training market development
    - Develop a system of quality control and accreditation, including accreditation of specific courses by regional and international bodies;
    - Develop and implement a system for marketing accredited courses on behalf of Regional Training Institutions at a discount for advanced purchases; and

- Identify sponsors to support participants and the development and execution of courses.

12. Legal Requirements (As per financing agreement and/or riders)

- Unless, through a rider to the financing agreement, implementation shall be completed latest by 31 December 2005 at the latest.
- SADC member states to adopt a Memorandum of Understanding for setting up the programme as a pre-condition for the start-up of the EDF funded programme.
- A mid-term evaluation will be undertaken at the end of the 2<sup>nd</sup> year and a final external evaluation in year 5.
- SADC to fully fund the core costs of the programme from year 4 onwards.

13. Summary of implementation Status

- Project completed on 31 December 2005.
- A mid term evaluation was done in 2002.
- A 20 percent rider to the financing agreement budget approved in 2004.

14. Major Achievements

Financing Agreement Target	Actual Realised by 31.12.2005
1. Develop and implement 14 new regional training courses by 31 December 2005.	1. 14 new regional training courses developed and successfully implemented. In addition, 26 national courses were also implemented in the SADC member states. 2,170 people directly participated in the training programmes of which women contributed 36 percent.
2. Programme to raise €1.87 million through sponsorship.	2. Programme failed to achieve this over-ambitious target. However, on average private contribution mainly from participating training institutions was 20 percent of the total cost.
3. 100 people to take part in the work attachment programme.	3. 78 people took part in the work attachment programme.
4. 14 regional training institutions to benefit from the capacity building activities.	4. 45 regional training institutions benefited.
5. Develop and implement an accreditation system.	5. Accreditation system developed.

15. Recommended follow-up activities

- SADC should ensure continuity of the capacity building programme within the FANR Directorate and also create a desk office to continue to offer support to regional training institutions and also implement the accreditation system that was developed by the programme.

Updated: Wednesday, 22 February 2006

ZIMBABWE - EIB Loan Portfolio and arrears as at 31.12.2005

6.14. EIB projects\*

EIB own funds

Loan No	Name	signed on	Evolution	Mandate	Amount signed	disbursed	to be disbursed	cancelled	Encours	1st repayment	last repayment	Last payment received on	total capital in arrears
11569	WANKIE POWER	14/12/1982	disbursed	Lomé 2	20,000,000.00	10,894,136.00	-	9,105,864.00	616.09	31/08/1987	31/08/2000	20/05/1998	616.09
11656	ZIMBABWE TELECOMMUNICATIONS	16/05/1983	repaid	Lomé 2	15,000,000.00	14,856,805.00	-	143,195.00	-	10/11/1987	10/05/1998		
13015	ZDB PG	04/09/1987	disbursed	Lomé 3	6,000,000.00	6,000,000.00	-	-	516,781.13	28/02/1992	31/08/1999	01/03/1999	516,781.13
13027	HARARE WATER SUPPLY	24/09/1987	disbursed	Lomé 3	12,000,000.00	12,000,000.00	-	-	8,444,384.33	20/09/1992	20/03/2007	20/10/1999	6,455,965.30
13238	COLD STORAGE COMMISSION	18/12/1987	disbursed	Lomé 3	14,000,000.00	14,000,000.00	-	-	5,125,057.89	15/12/1992	15/12/2002	15/12/1999	5,125,057.89
13882	TELECOM II	14/03/1989	disbursed	Lomé 3	18,000,000.00	18,000,000.00	-	-	8,513,985.35	05/09/1993	05/03/2004	03/03/2000	8,513,985.35
14068	FINE PAPERS	14/07/1989	repaid	Lomé 3	12,000,000.00	12,000,000.00	-	-	-	10/01/1994	10/07/1999		
14914	ZESA POWER II A	03/12/1990	disbursed	Lomé 3	8,000,000.00	8,000,000.00	-	-	6,153,933.92	30/05/1995	30/11/2008	15/05/2000	3,658,381.34
15450	ZESA POWER II B	04/10/1991	disbursed	Lomé 4	18,000,000.00	9,193,836.00	-	8,806,164.00	7,572,549.23	31/03/1996	30/09/2009	21/10/1999	3,997,306.21
16161	HARARE SEWERAGE FIRLE V	23/09/1992	disbursed	Lomé 4	15,000,000.00	15,000,000.00	-	-	14,313,902.23	20/03/1998	20/09/2012	20/10/1999	5,253,044.95
16162	ZDB GL III	23/09/1992	disbursed	Lomé 4	8,000,000.00	8,000,000.00	-	-	4,253,401.49	20/03/1996	20/09/2002	24/03/1999	4,253,401.49
16914	ZESA POWER III	09/11/1993	disbursed	Lomé 4	37,000,000.00	16,869,750.08	-	20,130,249.92	13,698,397.55	05/05/1998	05/11/2008	15/03/2000	8,637,203.77
17418	ZESA POWER IV	14/09/1994	disbursed	Lomé 4	17,000,000.00	14,464,353.00	-	2,535,647.00	13,539,272.72	15/09/1998	15/03/2009	24/03/2000	7,639,277.75
17765	ZDB GL IV	28/12/1994	disbursed	Lomé 4	12,000,000.00	7,734,842.00	-	4,265,158.00	6,455,015.64	10/06/1998	10/12/2004	05/11/1999	6,455,015.64
18352	ZESA POWER V	12/12/1995	disbursed	Lomé 4	13,000,000.00	6,970,034.14	-	6,029,965.86	6,251,206.27	20/12/1999	20/06/2010	10/03/2000	3,183,405.76
20317	ZESA POWER VI	16/11/1999	cancelled post signature	Lomé 4 bis	12,000,000.00	-	-	12,000,000.00	-				
					237,000,000.00	173,983,756.22	-	63,016,243.78	94,838,503.84				63,689,442.67

FED - Loans from risk capital resources

Loan No	Name	signed on	Evolution	Mandate	Amount signed	disbursed	to be disbursed	cancelled	Encours	1st repayment	last repayment	Last payment received on	total capital in arrears
70303	ZIMBABWE COAL PRE-FEASIBILITY	17/11/1982	repaid	Lomé 2	400,000.00	396,056.95	-	3,943.05	-	05/11/1985	05/11/1989		
70019	ZIMBABWE DEVELOPMENT BANK	07/12/1983	repaid	Lomé 2	284,437.18	4.01	-	-	4.01				
70404	ZIMBABWE DEVELOPMENT BANK	07/12/1983	disbursed	Lomé 2	4,500,000.00	2,901,259.23	-	1,598,740.77	2,801,037.34	31/07/2004	31/07/2008	01/01/2000	1,117,163.04
70886	SANYATI MINING FEAS. STUDY	05/11/1992	repaid	Lomé 3	450,000.00	349,427.42	-	100,572.58	-	15/10/1997	15/10/2002		
70905	ZDB III (SHARE SUBSCRIPTION)	22/12/1992	repaid	Lomé 4	51,541.32	4.01	-	-	4.01				
70924	ART CORPORATION	08/11/1993	repaid	Lomé 4	7,000,000.00	541.47	-	-	-				
70973	COALBED METHANE FEAS. STUDY	10/10/1994	disbursed	Lomé 3	600,000.00	600,000.00	-	-	600,000.00	10/09/2006	10/09/2008	06/09/2005	-
70993	ZDB IV GLOBAL LOAN	28/12/1994	disbursed	Lomé 4	5,000,000.00	2,903,000.00	-	2,097,000.00	2,903,000.00	10/12/2009	10/12/2009		-
70994	ZIMBABWE-SANYATI COPPER MINE	28/12/1994	repaid	Lomé 4	5,600,000.00	5,600,000.00	-	-	-	05/12/1997	05/12/2002		
71061	SANYATI COZIMA STUDY	15/10/1996	repaid	Lomé 4	600,000.00	600,000.00	-	-	-	15/09/2000	15/09/2004		
71110	MARANATHA FERROCHROME PROJ.	07/07/1998	disbursed	Lomé 4 bis	2,800,000.00	2,800,000.00	-	-	3,151,424.66	30/04/2001	30/04/2007	28/04/2000	1,050,474.90
71111	MARANATHA FERROCHROME	07/07/1998	disbursed	Lomé 4 bis	500,000.00	448,740.00	-	51,260.00	428,265.52	30/04/2009	30/04/2013		-
20023	SANYATI COPPER MINE II	14/04/1999	cancelled post signature	Lomé 4 bis	1,500,000.00	-	-	1,500,000.00	-				
					29,285,978.50	16,599,033.09	-	5,351,516.40	9,883,735.54				2,167,637.94

MANDAT - Commission Mandate Loans

Loan No	Name	signed on	Evolution	Mandate	Amount signed	disbursed	to be disbursed	cancelled	Encours	1st repayment	last repayment	Last payment received on	total capital in arrears
80195	COFFEE, FRUIT & IRRIGAT. CROP	29/05/1985	disbursed	Lomé 2	4,200,000.00	4,096,531.83	-	103,468.17	3,557,837.98	15/10/1995	15/04/2025	26/10/1999	757,448.79
80199	TSE TSE & TRYPAN. CONTROL	21/11/1985	disbursed	Lomé 2	3,900,000.00	3,897,006.52	-	2,993.48	3,442,615.52	15/05/1996	15/11/2025	15/11/1999	717,049.17
80227	FRUIT & VEGETABLE DVPT	15/12/1986	disbursed	Lomé 2	2,275,000.00	1,964,730.28	-	310,269.72	1,793,798.66	15/04/1997	15/10/2026	25/10/1999	357,777.39
80229	MATABELELAND SOUTH WATER	23/12/1986	disbursed	Lomé 2	3,000,000.00	2,055,110.91	-	944,889.09	1,845,900.55	15/03/1997	15/09/2026	23/03/2000	343,819.96
80253	ASS.TO GRAIN MARKETING BOARD	20/10/1987	disbursed	Lomé 2	5,625,000.00	4,947,275.98	-	677,724.02	4,589,587.88	15/03/1998	15/09/2027	17/03/2000	819,763.76
80276	ASSISTANCE TO THE A.F.C.	21/12/1988	disbursed	Lomé 3	20,000,000.00	20,000,000.00	-	-	19,426,000.00	01/06/1999	01/12/2028	02/12/1999	3,570,000.00
80328	SMALL SCALE IRRIGAT° PROG.	22/07/1991	disbursed	Lomé 3	8,000,000.00	7,809,108.11	-	190,891.89	7,809,108.11	01/12/2001	01/06/2031	02/12/1999	1,026,897.55
80366	REG. TSETSE & TRYPANOS.- II	30/11/1992	disbursed	Lomé 3	2,000,000.00	1,922,762.94	-	77,237.06	1,922,762.94	01/05/2003	01/11/2032	05/11/1999	167,280.39
					49,000,000.00	46,692,526.57	-	2,307,473.43	44,387,611.64				7,760,037.01