

Joint Annual Report 2004
European Commission – Zimbabwe

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

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1. **Executive Summary**

Regarding the *political situation* several parliamentary by-elections were held as well as local council elections in rural and urban areas. Preparations for the 2005 Parliamentary Elections began in earnest in the second half of the year. Following the adoption of the SADC guidelines by the Government of Zimbabwe in Mauritius in July 2004, two new electoral laws were debated and passed by Parliament in December 2004 and welcomed as a positive step towards improving the electoral environment. However, in the opinion of the EC Delegation additional reforms were needed to the media and security laws to ensure a more level playing field. An NGO bill was passed by parliament in December 2004 to regulate the NGO activities, which raised significant concerns among civil society, the EU and donors as it proposed forbidding of funding for support of human rights and governance activities. The Government of Zimbabwe however does not share the above opinion by the European Commission and therefore sticks to the facts as highlighted in sentences 1 to 6 of this paragraph.

The year 2004 has seen improvements in the *economic situation* in Zimbabwe. The economy has made some steps towards stabilisation as a result of various fiscal and monetary measures taken by Government to arrest economic decline. Inflation was reduced and foreign currency inflows helped ease the situation in providing essential services. However, in the opinion of the EC Delegation the situation remains of grave concern despite these improvements as the underlying causes remain unaddressed. It is however the view of the Government that most policy issues are being addressed through the Macro-economic Policy Framework 2005-2006. Even without balance of payment support, significant progress has been made towards achieving macroeconomic stability. The challenge lies in continuing with these measures, which have seen inflation slowing down, and foreign currency inflows improving.

The *social situation* is characterised by the growing incidence of poverty, the HIV and AIDS epidemic and the non-competitive salaries for health and education staff. These issues are seriously affecting the implementation of suitable health and education services delivery to the Zimbabwean population.

The Government undertook a nation-wide Second Poverty Assessment Study for which results have not yet been released.

Regarding the project pipeline, two new operations were approved: a new Decentralised Cooperation Programme to the tune of €8 million and a Technical Cooperation Facility of €1.4 million.

The EC continued to support targeted food aid deliveries through the World Food Programme. The EC commitment for operations undertaken in 2004 amounted to €20 million. Additionally an NGO programme for €6 million was agreed and grant contracts with NGO partners were signed to support food security interventions as well as specifically targeted food distribution.

The EC's Humanitarian Office (ECHO) has committed €15 million to target the most vulnerable of the population with emergency feeding programmes including therapeutic feeding, supplementary feeding and school feeding. The rehabilitation of rural water and sanitation facilities were also funded.

The special measures under Article 96 as well as the Common Position of the Council (CFSP) were extended for another year.

Future programming perspectives, especially the commitment of the A-Envelope of the 9th EDF (€108 million), depend highly on how the situation in Zimbabwe will evolve in the short to medium run.

2. Update on the Political, Economic and Social Situation

2.1. Update on the Political Situation

Inter-party talks between ZANU-PF and the MDC continued on an informal basis but were never formalised.

The Government launched a fight against corruption in the first part of the year, which resulted in some high profile arrests within the business community and most notably the Minister of Finance.

The EU renewed its travel restrictions against the Politburo of ZANU-PF and the appropriate measures suspending direct support to the Government of Zimbabwe in February 2004, as it esteemed that no progress had been made in meeting the conditions for reestablishment of relations. However the EU maintained its direct support to the population in the areas of education, health, small-scale irrigation and rural development. The A-envelope under the 9th EDF, amounting to €108 million, remains suspended, whereas the B-envelope, amounting to €19 million, is accessible. The Government of Zimbabwe remained concerned about the negative reporting of international medias and of the radio broadcasts from the territory of some member States.

The year 2004 witnessed some political progress as shown by the decrease in the level of political violence and polarization. MPs of ruling and opposition parties have worked constructively together at parliamentary committee level. Several parliamentary by-elections were held as well as local council elections in rural and urban areas. The most notable one was the Lupane by-election where ZANU-PF was able to regain a seat, which it lost in the 2000 Parliamentary elections. From mid 2004 onwards, the MDC decided a boycott of further elections alleging that the playing field was not free and fair as they were continuously hampered in their campaigning by the security and media laws. Consequently, additional seats were won by the ZANU-PF.

Preparations for the 2005 Parliamentary Elections began in earnest in the second half of the year. Following the adoption of the SADC guidelines by the Government of Zimbabwe in Mauritius in July 2004, two new electoral laws were debated and passed by Parliament in December 2004 and seen as a positive step towards improving the electoral environment. The main innovations were the setting up of a new Zimbabwe Electoral Commission to oversee the process and the adoption of a number of recommendations of the Guidelines such as one day voting, the use of transparent ballot boxes and the introduction of a Code of Conduct.

In October 2004, Mr Tsvangirai, President of the MDC, was acquitted by the Supreme Court of treason charges against him, which was widely welcomed by the international community.

In the second half of the year, a draft NGO bill to regulate the NGO activities, which raised significant concerns among civil society and donors was intensively debated in Parliament and amongst stakeholders. Despite widespread consultation, clauses outlawing the foreign funding of NGO activities in the areas of human rights and governance remained in the bill, which was passed by Parliament in December 2004. The EU made its concerns known that the ban on foreign funding also transgressed the spirit of the Cotonou Agreement. This interpretation of the spirit of the Cotonou Agreement was not shared by Government. At the end of 2004 President Mugabe had not yet signed the bill into law.

However, despite these improvements, the Delegation remained concerned throughout the year about continuing political intimidation and violence linked to by-elections, the continued repression of the independent media, and lack of corrective measures in the land reform process as has been the stated intention of the Government. The Government of Zimbabwe however does not share the above concerns by the European Commission.

2.2. Update on the Economic Situation

The year 2004 saw some improvements in the economic situation in Zimbabwe (see Table 2.1), as a result of various fiscal and monetary steps taken by the Government. However, the economy still contracted, and the short- to medium term economic outlook remains bleak. The Government of Zimbabwe's view is that despite the challenges facing the economy, revised projections show that in the short to medium term, i.e. in 2005, the economy will grow by between 2 and 2.5 %, owing to various fiscal and monetary measures being implemented.

Inflation, which has been labelled the country's number one enemy, was on a downward trend throughout 2004. It declined from a peak of 622.8% in January 2004 to 132.7 % in December 2004, surpassing the original year-end target of 150-160%. This progress notwithstanding, inflation still remains unsustainably high and thus still remains one of the major constraints to sustainable rapid economic growth as it has posed a challenge to Foreign Direct Investment.

The year 2004 has also seen a marked improvement in foreign currency inflows with official inflows amounting to US\$1,711 million compared to a total of only US\$301 million for the same period in 2003. The introduction of the Foreign Currency Auction System with the RBZ surrender policy has made a substantial contribution to the availability of foreign currency. The Home Link initiative also contributed to increased foreign currency inflows.

Interest Rates were unsustainably high at the beginning of the year but trended downwards during the course of the year. This was due to monetary policy interventions which saw the existence of a dual interest policy, allowing higher rates for consumptive and speculative borrowing, whilst productive and export sectors accessed credit at concessionary rates to boost output and thus dampen inflationary pressures caused by supply bottlenecks.

In 2004, Government successfully rolled out the Public Finance Management System (PFMS) to all ministries. This has gone a long way in improving public finance management and avoiding a supplementary budget, which had become the norm during preceding years. The establishment of the Implementation and Control of Expenditure Unit (ICEU) as well as the Mid Term Fiscal Policy review also complemented effective use of public resources.

In a bid to reduce External Payment Arrears, Government has started making token payments to the IMF and other creditors. In 2004 a total of US\$ 29.9 million was paid to the IMF, World Bank and the ADB.

Main Economic Indicators are summarised in the table below:

Table 2.1 – Main Economic Indicators

Indicator	2000	2001	2002	2003	2004*	2005
Change in Real GDP (%)	-7.9	-2.7	-4.4.1	-10.4.4	-2.5	
Real GDP per capita (1990 Z\$) ¹	1,943	1,895	1,818	1,611	1,569	
Inflation, annual average (% p.a.)	55.9	71.9	133.2	365.0	350.0	
Inflation, end of year (% p.a.)	55.2	112.1	198.9	598.7	132.7	
Share of Gov't spending on Health (%)	5.3	4.5	8.7	8.9	9.2	10.6
Share of Gov't Spending on Education (%)	14.6	11.3	14.2	18.4	17.6	19.6
Budget Balance as share of GDP (%)	-25.4	-9.8	-6.7	-0.3	-4.4	
Exports as share of GNP (%)	23.2	19.2	18.3	17.5		
Imports as share of GNP (%)	20.1	21.8	25.2	23.2		
Export Growth, value (%)	13.93	-4.04	-14.73	-7.3	0.6	
Import Growth, value (%)	13.9	-6.1	1.63	-2.34	11.9	

Sources: Reserve Bank of Zimbabwe, Central Statistical Office, Ministry of Finance and Economic Development. 1: IMF * Estimates

2.3. Update on the Social Situation

The continued economic contraction, the growing incidence of poverty, the HIV and AIDS epidemic and the non-competitive salaries for health staff are grave challenges which Government and EC co-operation grapple with in order to meet financing and human resource needs for health and education services delivery to the Zimbabwean population.

The Government undertook a nation-wide Second Poverty Assessment Study Survey (PASS II) to get an in-depth understanding of the poverty status in the country. Analysis of the data is still in progress. Findings of the assessment are expected to form the basis for design of targeted interventions and formulation of the country's National Poverty Reduction Strategy.

The Ministry of Public Service, Labour and Social Welfare through Micro-Enterprise Development Programme administered a Disability Loan Revolving Fund. A total of Z\$300 million was set aside from the annual budget for this programme. Through this fund, people with disabilities were given loans to start small projects. The overall goal of this programme was poverty reduction and employment creation through micro credit.

The Ministry also appointed gender focal persons in line with the Government Gender Policy of 2003. This move was aimed at improving coordination of gender activities within the Ministry and help mainstream gender in policy formulation and implementation.

2.3.1. Health Situation

An overview of the health situation in Zimbabwe is shown in Table 2.3 below. However, the quality of the data has been greatly affected by a critical shortage of staff at all levels. This means consistent data collection has been reduced. Insufficient reporting gives an inaccurate reflection of the real averages. Malfunctioning telecommunication structures have also compromised the flow of data.

The under-five mortality rate has increased recently and now stands at 126‰ (2003). For underweight children, birth attendance, and measles immunisations, there has not been much progress (nor deterioration) since 1990, though measles immunisations appear to have recovered from a recent slump. The only observation of the HIV prevalence among pregnant women aged 15-24 years is at a staggering 33%. This is much worse than the SSA average of 9.4% and only goes to show the seriousness of the challenges Zimbabwe faces in light of the HIV and AIDS pandemic. The proportion of population with access to an improved water source, however, has improved recently to 87% in 2004, and the 2015 target of 88.5% is within reach in a few years.

Other health indicators such as maternal mortality and infant mortality rates have deteriorated as well. For example, cases of maternal mortality increased from 280 per 100,000 live births in 1994 to 695 in 1999, while cases of infant mortality increased from 66 per 1,000 live births in 1992 to 80 in 1997.

Knowledge of and services related to HIV and AIDS care and prevention in the health services remain to be mainstreamed. Like all other sectors, the health sector is losing its productive workforce to the illness. National structures put in place to cope with the pandemic fell short of the requirements of the Global Fund in 2004. Access to ARV treatments in both the public and private health sector is limited.

The Ministry of Public Service, Labour and Social Welfare came up with a strategy on HIV and AIDS for the Public Service of Zimbabwe. The strategy draws from the National HIV and AIDS policy that was adopted by Government in 1999. The strategy aimed at directing the process of dealing with HIV and AIDS issues at all levels in the workplace at all levels at the

workplace. The strategy was availed to the Social Services Cabinet Action Committee in July 2004. The Ministry has also nominated HIV and AIDS focal persons in all its departments. This also included setting up of an HIV and AIDS information centre within the Ministry.

The critical dearth of qualified health personnel in the sector remains unchanged since 2003. Of the 1,557 established posts for doctors only 770 (49.5%) are filled. The most decisive indicator of the emergency this shortage represents is that only 20 (15.2%) of the 132 pharmacists post are filled. The prospects for the development and implementation of the national drug policy are bleak. Other shortages with correspondingly negative impacts on the delivery of health services to the population are reflected in the low number of filled positions, cf. Table 2.2 below.

Table 2.2 – Health Personnel – 2004

Indicator	Establishment	Filled	Vacant	Ratio of filled posts
Doctors	1,557	770	787	49.5%
Pharmacists	132	20	112	15.2%
Pharmacy technicians	185	72	113	38.9%
Nurses	14,239	9,680	4,559	68.0%
Radiographers	159	29	130	18.2%
Hospital equipment technicians	95	40	45	42.0%
Lab scientists	385	263	122	68.0%

Source: Ministry of Health and Child Welfare.

The shortage of essential and basic drugs in the country has decreased in 2004, but remains problematic throughout the country. Available supplies are evenly distributed.

The blood supply to the health service is regarded as safe.

2.3.2. Education Situation

Table 2.3 below shows the core MDG indicators relevant for the education sector (indicators 4, 5, 6).

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

The ratio of girls to boys has remained constant. The girl child still needs special attention in order to achieve gender balance. Children affected by HIV and AID 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. There is a lack of baseline data on OVCs (Orphans and Vulnerable Children), which complicates educational support programmes targeting these groups. 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 main achievements in the education sector for 2004 include the following:

- Anticipated improvements from redeployment of Quality Assurance Education Officers from provincial to district level;
- More school heads are undergoing in-service training courses;

- Increase in Early Childhood Education and Care (ECEC) services;
- Improvement of accountability of schools to the communities on the resources that are available at their schools;
- Development of a Girls Education Policy and Strategy;
- A Girls Education Movement (GEM) was launched in August 2004;
- Girls Mathematics and Science Camps were held during school holidays;
- Provision of Braille reading materials to learners with visual impairment;
- Psychological support provided to increasing number of learners;
- Increasing report rate of child abuse cases in the school system.

Further, Government through its Basic Education Assistance Module (BEAM) allocated Z\$3.5 billion assisting disadvantaged children. A total of 310,363 children benefited of from the programme. Of these 273,363 were children in primary school, in pursuance of the Millennium Development Goal of reaching universal primary education by 2015.

2.3.3. Millennium Development Goals Performance

Table 2.3 – Millennium Development Goal Indicators

	Actual							Projection			Target
	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2015
1. Proportion of population below \$1 (1993 PPP) per day (%)	33.0	56.0				70.0 ²					16.5
2. Prevalence of underweight children under five years of age (%)	11.5	15.5	13.0 ¹	13.0	20.4 ³	17.2 ³					5.8
3. Under-five mortality rate (‰)	80.0	90.0	117.0		123.0	126.0					26.7
4. Net enrolment ratio in primary education (%)	85.7		80.6	82.7							100.0
5. Proportion of pupils starting grade 1, who reach grade 5 (%)	92.4	78.6	76.7	73.2 ³	69.5 ³	67.3 ³	67.6 ³				100.0
6. Ratio of girls to boys in	99.0		97.0	97.0	98.0 ³	98.0 ³	98.3 ⁰	98.0 ³	98.0 ³	98.0 ³	100.0
- primary education (%)											
- 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 (%)	69.6	69.2	73.0 ¹	72.5		73.0					-
8. Proportion of 1 year-old children immunized against measles (%)	87.0	87.0	70.0	68.0	58.0	80.0					-
9. HIV prevalence among pregnant women aged 15-24 years (%)				33.0							-
10. Proportion of population with sustainable access to an improved water source (%)	77.0			83.0	83.5 ³	85.0 ³	87.0 ³				88.5

Notes: 1: Observation refers to 1999. 2: National poverty line: National household survey estimate. 3: GoZ Sources: Unless otherwise indicated, <http://millenniumindicators.un.org/> and <http://www.developmentgoals.org/>

Developments in the core set of 10 key Millennium Development Goals (MDGs) indicators identified by the Commission are shown for Zimbabwe in Table 2.3 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 the 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.
- Although the share of Government spending on health and education has been increasing every year over the past five years (cf. Table 2.1), the absolute value of spending on these social sectors has been decreasing. Combined with increasing poverty levels following the economic decline and increasing unemployment rates, this means that there are less public money as well as 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 got nothing to do with economic decline as this movement is common even to those country recording high economic growth. Also, the brain drain is not the cause for low rates of filled posts for teachers. The issue is that qualified teachers shun remote areas mainly because of lack of conducive infrastructure.

This somewhat bleak picture of developments in these 10 core MDG indicators shows the severity of the Zimbabwean crisis, and calls for targeted efforts to perform better on – if not reach – the MDGs by 2015.

2.4. Agriculture

2.4.1. Land Reform Situation

Throughout 2004, the Government continued its land reform programme opening additional areas of land for resettlement of communal and smallholder farmers and/or acquisition by indigenous commercial farmers.

Over the past two years the Government has made various attempts to correct irregularities in the implementation of the land reform programme, and to boost production in newly resettled areas by making funds available to the new farmers. Yet, full recovery of the sector will be slow as the policy environment remains weak and complex while Government has neither the technical capacity nor the resources to help the farmers with adequate services.

Leases for A2 and permits for A1 are at an advanced stage. These should ensure security of tenure. Ex-farm workers are eligible to apply for land, some of them have benefited from the Land Reform.

2.4.2. Agriculture Productivity

The Ministry of Agriculture and Rural Development has during 2004 taken steps to intensify farmer-training, farm mechanisation, input supply and irrigation rehabilitation/ development programmes with the objective of ensuring increased utilisation of available land resources.

Agricultural productivity improved slightly compared to 2003. However, development of the agricultural sector keeps being hampered by several challenges and difficulties to access labour, tillage and inputs, particularly fertilizer. Farm income has continued to decrease as marketing principles have been severely distorted, particularly considering a continued lack of investment in the sector.

In order to mitigate against the above challenges the major strategies being implemented by the Government are geared towards addressing the following issues:

- Increasing investment in crops and livestock production systems;
- Irrigation rehabilitation and development;
- Enhancing farm mechanization;
- Improving the marketing of agricultural products, both domestic and on world markets;
- Strengthening agricultural research and extension linkages;
- Farmer training and capacity building of the agricultural service providers.

2.4.3. Food Security Situation

Throughout 2004, the availability of basic commodities (maize, meals and flour) remained difficult, and the ability of a significant proportion of the population to access food considerably worsened. Government intensified efforts to alleviate the food deficit with imports through the Grain Marketing Board. In addition, up to 5 million Zimbabweans were covered by donor funded free distributions in the beginning of 2004, a number reduced to 1.5 million targeted beneficiaries by the end of 2004. General food distributions were mostly channelled through World Food Programme (WFP) and the Consortium for Southern Africa Food Emergency (C-SAFE) and targeted at rural (communal land) beneficiaries. The National Vulnerability Assessment Committee (ZIMVAC), in both their rural and urban assessments, concludes that nearly 2.5 million Zimbabweans were food insecure following the 2004 harvest. With limited means to earn cash to procure food, a considerable number of households were left with no option but to depend on food aid. In the first quarter of 2004, the so-called lean period before the harvest, WFP stepped up distributions, funded by the EC's additional €20 million commitment sanctioned in December 2003.

The Government revised the Public Works Programme, which sought to improve accountability and improve targeting mechanisms in the latter half of 2004. The mandate to implement the new programme was placed on District Drought Relief Committees. The programme, taking into consideration that the country had a relatively good 2003/04 harvest when compared to the preceding year, targeted only those households, which were in food deficit.

Despite the reduction in year-on-year inflation, the price of basic food items continued to increase, cf. Table 2.4 below. The food component of the Central Statistical Office's consumer price index recorded an increase of 121% over the year 2004, making consumers struggle to make ends meet. For example, the Consumer Council of Zimbabwe (CCZ) estimated that in September 2004 the industrial wage level covered less than 30% of the cost of a typical monthly basket of basic commodities for a family of six.

Table 2.4 – 2004 Food Price Evaluation

Z\$ per unit	January 04	June 04	December 04
Mealie, 20 kg	16,000	38,025	30,500
Bread, std. Loaf	2,150	3,000	3,500
Milk, 500 ml	1,560	2,450	3,720
Sugar, 2 kg	4,310	4,800	7,153

Source: Consumer Council of Zimbabwe, various reports.

3. Development Agenda of the Partner Country

3.1. Economic Agenda

In 2004, Government launched an economic blue print dubbed the Macroeconomic Policy Framework 2005-2006, which outlines the vision of economic development programmes. The programme is a successor to the National Economic Revival Programme introduced in February 2003. The new programme will anchor all policy initiatives during this period. Its objectives are to: reduce poverty, improve living standards, restore macro-economic stability in particular to reduce inflation, improve the supply of foreign currency, increase capacity utilization in the productive sectors, resuscitate the public service delivery system, and to increase agriculture and industrial productivity.

With regard to the restoration of macro-economic stability and the improvement of the foreign currency situation, the Reserve Bank of Zimbabwe (RBZ) through their quarterly monetary statements played a substantial role in stabilising the financial sector. A troubled banks policy introduced in 2004 has led to the recent creation of the Zimbabwe Allied Banking Group. Other measures of the RBZ have complemented the economic policy inter alia through introduction of an Export Retention Scheme (“carrot and stick”). In order to tap foreign currency in strategic sectors like the platinum sector the RBZ has been at the forefront of introducing the Platinum Sector regime with their taking over of the marketing of the mineral.

Government intends to implement the following measures targeting some of the critical success factors:

- Realising macroeconomic stability, by continuing the inflation reduction programme, the current restrictive monetary policy, the prudent fiscal management, and the fight against corruption.
- Foreign exchange generation and mobilisation: Guaranteeing viability of exporters; reducing bottlenecks at ZIMRA.
- Domestic and foreign investment promotion: Guarantee country’s business environment, marketing investment opportunities, access to technology.
- Improved public service delivery: restructuring of public enterprises, pricing and incomes policies.
- Improved Corporate Governance: improving country’s image, address material shortcomings of the land reform programme; honouring Bilateral Agreements (BIPAs).

3.2. Health Agenda

The Government of Zimbabwe envisions achievement of the highest possible level of health and quality of life for all its citizens through the combined efforts of individuals, communities, local and international organisations and the Government.

However in recent years, a combination of financial austerity, inflation, an expanding population and illness related to HIV and AIDS have threatened the achievements.

The policy thrust of the health sector remains underpinned by the need to:

- Seek equity in health by targeting resources and programmes to the most vulnerable and needy in the population;

- Maintain the Primary Health Care Approach as the leading strategy for health development;
- Focus on health as a key component in overall national development policies towards improving the quality of life of all citizens;
- Identify priority health problems and target resources accordingly;
- Develop innovative approaches to managing the delivery of services in ways that enhance access, community satisfaction and local accountability;
- Aim for high quality health services;
- Give priority to disease prevention, health promotion and protection;
- Widen the participation of stakeholders in the development and implementation of policies for better health;
- Develop a consensus building strategy that can reshape the meaning of health and illness in political debate;
- Create greater awareness of the impact of social and economic policies of health.

However, despite the Government's intentions and policies mentioned above, the means for implementation are insufficient, cf. section 2.3.3.

3.3. Education Agenda

Zimbabwe has continued to put in place enabling policies and strategies to ensure that education is accessible, affordable and of high quality. However, a number of challenges still remain.

Zimbabwe regards education as a basic human right and be accessible and affordable. A child cannot be refused admission to any school on the grounds of race, tribe, colour, religion, creed, and place of origin, political opinion or the social status of his/her parents.

As a policy thrust, the Ministry of Education Sports and Culture realises the need to address the following issues: gender in education, motivation of girls to excel in education and pursue studies to the highest possible level, and HIV and AIDS.

Following the agrarian reform, Satellite schools have been established in newly settled areas to ensure that children continued with their education while staying with their parents. However, these schools lack the requisite infrastructure and teaching/ learning materials.

The Ministry has outreach programmes to identify and assess children with disabilities. This is done with assistance of School Development Committees and School Development Associations.

The ministry has adopted the policy of giving grants to all registered schools, Government or non-Government. Non-Government schools receive per capita grants while Government schools receive tuition grants. The grants are to assist schools in the procurement of teaching and learning materials.

The BEAM budget for 2005 has been increased to Z\$193 billion, with 52%, 38%, and 10% allocated to children in primary schools, secondary schools, and special schools respectively.

The Ministry encourages other stakeholders to complement its efforts in areas like infrastructure development and provision of teaching and learning materials.

The major challenges facing education in Zimbabwe include high dropout rate and the lack of adequate:

- Staff houses, classrooms and furniture.
- Amenities such as electricity, water and transport network.
- Learning and teaching materials.
- Qualified Technical and Vocational teachers.
- Transport for District officers to effectively supervise and monitor schools.
- Funds to mount staff development workshops for heads, deputy heads and teachers.
- Funds to address HIV and AIDS leading to lost teaching time.

3.4. Social Welfare Agenda

Increasing poverty levels have continuously posed great challenges to the nation in general, and to the Department of Social Services in particular. In the wake of the HIV and AIDS pandemic the disease has resulted in a significant number of children becoming orphans. The situation has been made worse by the macroeconomic situation in the country. The elderly who generally have limited coping mechanisms are being forced to look after the orphans.

The Government has produced its first report on the Millennium Development Goals (MDGs), which will serve as the framework under which social policy and interventions will be developed.

The results of a second Poverty Assessment Study Survey (PASS II) will be used to develop and improve social sector and economic policies and will also point to targeted assistance in certain assistances.

In order to improve social service delivery, Government will focus on the following sub-sectors: Health; Education; and Poverty Reduction.

Under poverty reduction the major areas of focus will be:

- Achieving a 6% economic growth rate in order to meet MDGs by 2015;
- Formulation of a National Poverty Reduction Strategy that is participatory, inclusive and people-centred to ensure sustainable growth;
- Promote Poverty Alleviation Action programmes in both rural and urban areas through provision of adequate financial, material and human resource support including public works;
- Complement the PAAP strategies through the provision of essential services in education, health, social safety nets and various social schemes such as BEAM;

The other subcomponent of the Poverty Reduction include:

- Economic empowerment through further improvement of access to finance, land, information, infrastructure, management and entrepreneurship skills;
- Youth development, gender and employment creation;
- Enhancing rural development through the establishment of small-scale irrigation schemes and carry out a massive irrigation rehabilitation and development programme in rural areas; and

- Enhancing special programmes for the vulnerable and excluded groups through the strengthening of social safety nets and making specific allocations for vulnerable groups and institutions that cater for such people. In addition a National Health Insurance Scheme will be established.

3.5. Agricultural Agenda

Agriculture remains a vital sector to economic growth in and development of Zimbabwe. It provides formal and informal employment; it is a key sector in food security and self-sufficiency; it is an important market for agricultural inputs; and it yields exports and is the principal source of raw materials for the agro-industry. Due to its recognized importance, agriculture is expected to drive and lead revival, growth and development of the country's economy, consistent with four of the points in the 10-point plan articulated by the President:

1. Completion of the fast-track reforms started in July 2000;
2. Pursuit of an agricultural-led economic revival, growth and development programme through small-scale agriculture;
3. Implementation of a comprehensive and systemic national food security programme;
4. Developing indigenous owned agro-industries for value-adding and employment creation;

The EC Delegation remained concerned throughout the year at the lack of progress in implementing corrective measures to the land reform process which would restore the rule of law and provide adequate compensation to affected farmers and provide the necessary stability for the resumption of commercial farming. However the Government of Zimbabwe has indicated that the land reform process has progressed to a point where the Land tenure legislation has been finalised and is awaiting distribution to the relevant Government Sectors. Furthermore the issuing of leases will be implemented in the very near future. The Government has also started addressing the outstanding issues raised by the Presidential (Utete) Land Review Committee.

3.6. Trade Agenda

Zimbabwe is currently preparing for negotiations on Economic Partnership Agreements (EPAs) with the European Union.

The second phase of EPA negotiations between the Eastern and Southern Africa (ESA) region and the EU were launched on the 7th of February 2004 in Mauritius. Phase 2 negotiations will be at regional level with the EU.

The ESA region has developed its negotiating mandate and has set up the institutional structure, which includes negotiations in six clusters (market access, agriculture, fisheries, development dimensions, trade related issues and services) and at two levels, ministerial and ambassadorial as well as a regional negotiating forum (RNF). Zimbabwe has been assigned spokes-man ship for the services cluster at ministerial level and alternate spokesman ship at ambassadorial level on market access and agriculture. At the launch, the ESA region and the EU also adopted a joint road map for the negotiations. At the same time ESA has developed a work plan for capacity building activities to support the EPA negotiations.

The third Regional Negotiating Forum meeting in Madagascar resolved to prioritise ESA areas of interest and carry out dedicated sessions in those areas in order to prepare for the negotiations with the EU. Four areas were identified these being: Inland Fisheries, Development Issues, Intellectual Property Rights, and Agriculture. The Ministry also launched the National Development and Trade Policy Forum (NDTPF) on 22 June 2004. The NDTPF is the driving force for the whole negotiating process in that it develops national

objectives and principles of the EPA, and it will determine the optimal development and trade negotiating position for the country. The task of the NDTPF is to prepare briefs outlining these positions on behalf of the Chief Negotiator (Permanent Secretary for Industry and International Trade). Six clusters were formed for the six EPA issues under negotiation. The clusters are composed of private sector companies, civil society organisations and various Government departments' representatives. So far, Zimbabwe's challenge has been how to fund the sector specific studies for each of the EPA clusters. The importance of these studies is that they will assist negotiators in coming up with concrete country negotiating briefs.

Zimbabwe, with assistance from the EU-ACP Project Management Unit, managed to carry out a national impact assessment study of EPAs on the Zimbabwean economy. The study highlighted the strengths and weaknesses of the Zimbabwean economy together with the opportunities and threats that would be brought about by coming of EPAs. In addition, five national awareness workshops were held in the country with the purpose of increasing the awareness of different stakeholders on trade related issues.

4. Overview of Past and Ongoing Co-operation

4.1. Focal Sectors (and Macroeconomic Support)

4.1.1. Health Sector Support Programme I (8/ACP/ZIM/10) and Programme II (8/ACP/ZIM/19)

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. The EC Financing Agreement with the GOZ in 2004 has been met in the following ;

- The Government of Zimbabwe (GOZ) met their commitment to increase the proportion of the annual budget to the health sector from 9.1 to 10.5% in 2005.
- 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\$10 billion in 2004.
- The Reserve Bank of Zimbabwe made US\$7,7 million available for drugs in 2004 compared to US\$60,000 in 2003, ensuring re-capitalisation of NatPharm, which is the intention of the programme
- 2004 saw the beginnings of a decentralised payment system.

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.
- NatPharm now distributes drugs to all road-accessible health facilities in the country, as the programme has bought five trucks.
- National Blood Transfusion Services was strengthened in its capacity for financial management in line with the recommendations from the Mid-Term review in 2003.
- The programme gave strategic, technical and financial support to the successful National HIV and AIDS conference in June 2004. The conference received wide scale media coverage and generated debate and enhanced national planning for HIV and AIDS prevention and treatment.
- The programme supported the education of 142 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.

- Parliament approved a bill for a National Health Board to deal with health staff issues including salary. At the end of 2004 the bill still had yet to be signed by the president.

b) Progress in Activities During 2004

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 €18.6 million was conducted on time and appropriately. Payments amounted to €13.7 million.

In procuring essential equipment, NBTS has faced two problems: lack of access to foreign exchange, and lack of cost recovery.

The design and implementation of decentralised management structures and controls were slower than planned. Progress was made in setting up a decentralised payment system and management of funds including the Health Services Fund at district and provincial level was improved by training. Staff from decentralised level was trained to enhance the provision of internal support in procurement, accounting, costing and financial management.

The procurement of essential drugs has been relatively efficient, as prices obtained were much lower than listed in the International Price Indicator Guide. The programmes' choice of NatPharm and NBTS as vehicles for the supply of essential drugs and safe blood to the Zimbabwean population was fully justified, as there were no suitable or comparable alternatives.

Programme administration and management and technical assistance were satisfactory.

c) Degree of integration of cross-cutting themes

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.

d) Scope of education sector needs

The scope of the need for the education (country wide) will be assessed through analysis of the current situation in the four EC supported districts compared with the other districts.

4.1.2. Education Transition and Reform Programme (ETRP) 8/ACP/ZIM/13

a) Results

To strengthen data collection and speed up the processing of information, each of the 8 district education offices received computers and printers from ETRP. Skills development for school authorities, in particular school heads, senior teachers, SDC officials and district officials continued in 2004. Financial management skills have also assisted the majority of school heads to establish sound and open financial systems.

A total of 106,603 pupils received the exercise books and pencils by the end of 2004 with a few schools to receive their supplies in 2005. A total of 200 primary schools in the four districts received world political globes to be used for learning purposes. A total of 173,212

children received school improvement grants in the four pilot districts. Under the targeted support component, 2,400 disadvantaged children in eight districts received assistance in the form of school fees.

b) Progress in activities during 2004

The EDF committee approved a second rider for the readjustment and re-allocation of funds in September 2004. The rider included the findings and recommendations of the 2003 Mid-Term Evaluation and the AIDCO contracted 2004 Management Monitoring Mission. Programme implementation was characteristically slow due to the lack of capacity to implement and monitor disbursements. ETRP managed to commit 59% of the total funds foreseen in the year of which 38% was disbursed in 2004. There is urgent need to reinforce the Technical Unit by recruiting critical staff that was not foreseen during programme design if the programme is to achieve its objectives.

School Improvement Grants

The 3rd tranche of school improvement grants worth Z\$2,977,629,600 was disbursed in April 2004. The total enrolment for this tranche was 173,118 up from a total of 165,000 under the 2nd tranche. The allocation per child remained at €4.30. Although there was an increase in monetary terms in the amounts disbursed, not many benefits were realised due to inflation and price increases for textbooks and other goods.

The acquittal of funds by the majority of schools is very slow. The 2nd tranche of school improvement grants was only fully acquitted in December 2004 even though funds were disbursed in August 2003. The 4th disbursement could consequently not be made in 2004. The delays at school level could be attributed to the lack of both human and physical resources to monitor and supervise the school authorities. There is need for more capacity building, particularly in financial planning, budgeting and procurement targeted at schools. It has been established that schools are not informed in advance of funds to be allocated hence the budgetary planning is only done when schools receive funds into their accounts. The district offices are also not aware of the amounts disbursed to each school and the flow of information from ETRP to schools and districts is very poor. A few schools were also inconvenienced by the closure of some banks and schools often do not timely access their bank statements to enable them to reconcile their accounts.

Targeted support for disadvantaged children

Stakeholder consultations and workshops were held in all the 8 districts to introduce the targeted support component as well as get stakeholder inputs on the operationalisation of this component. The office of the District Administrators, Government ministries, Traditional leaders, NGOs, CBO's and the private sector attended the meetings held at the district offices. The districts prepared and adopted district operational manuals, which were to be used in the identification of the disadvantaged children. Databases for targeted support beneficiaries were produced and validated during the course of the year. The numbers of disadvantaged children requiring support is huge and district officials managed to target children who were assisted mainly through the payment of fees.

c) Degree of integration of cross-cutting themes

The programme managed to bring stakeholders together with a view to creating awareness on the impact of HIV and AIDS.

4.1.3. Faculty of Veterinary Science (7.ACP.ZIM.039)

a) Results

The financing agreement was signed in August 1994, and the overall objective of the project is to improve animal health and to increase livestock productivity and farm incomes. All the other components of the project, except for some three staff development fellowships ended on 31 December 2003. Although the project was implemented quite satisfactorily, the general poor macro-economic and political environment is threatening to reverse most of the achievements made by the project as most trained veterinary scientists are leaving the country in search of greener pastures.

b) Progress in activities during 2004

The project successfully implemented its last collaborative research and ambulatory clinic annual work programme in 2003 and this was closed during the first half of 2004. Two of the three members of staff who were on doctorate studies in Ireland also completed their studies in 2004 and are now back teaching in the Faculty of Veterinary Science. The third fellow is expected to graduate during the middle of 2005.

The total funds committed as at the end of 2004 were approximately €6.9 million and the level of disbursement stood at just over 99 percent.

c) Degree of integration of cross-cutting themes

The project itself is an institutional development and capacity building project. The University of Zimbabwe (UZ), within which the FVS falls, has a gender policy by virtue of the fact that the FVS is a UZ institution, it is generally obvious that it is part and parcel of this gender policy. Furthermore, the BVSc and MVSc curricula are environmental sensitive. Thus, issues of environmental management are incorporated in the curricula.

4.2. Projects and Programmes Outside Focal Sectors

4.2.1. MPP

a) Results

The overall achievement under the last phase of the 11th MPP and the 12th 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 increase in the prevalence of 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.

Operational costs amounted to Z\$2,677,450,965.40 by the end of the year. Due to the decline of the economy, price escalations were experienced 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 vacant for most of the year. Furthermore, the Programme Manager resigned mid-year and staff had to be re-assigned to fill in the gaps thereby affecting general delivery by the programme. In a bid to increase the implementation capacity of the programme a Deputy Programme Manager was recruited and will become operational in early 2005. An organisational audit will be undertaken in 2005 to improve the situation for the forthcoming new programme.

To ensure programme visibility, the programme, in conjunction with the Press & Information Officer at the EU Delegation initiated the printing of T-shirts and caps with the MPP/EU logo. Logos were also put-up at all EU funded programmes.

The Financing Proposal for the 13th MPP was prepared and presented to the EDF Committee in 2004 and is due for signature in early 2005.

b) Progress in activities

The 11th MPP was closed during the first semester of 2004. Overall, 438 projects worth Z\$238,836,910 directly benefiting approximately 700,000 people in the communal areas were carried out. The 11th MPP set aside funds for special intervention in Kariba District and 10 projects worth Z\$7, 843,740 were supported.

A total of 62 projects approved since the beginning of the 12th Microprojects programme were under implementation by the end of 2004. During the first semester of 2004 the project received 194 applications for financial assistance. Of these 185 were appraised by the Appraisal Committee of which 102 projects were approved for a total funding of €1,791,115.

In terms of sectoral breakdown, the projects were as follows: five rural development projects worth €159,242; 18 health sector projects worth €612,880, and 79 education sector projects worth €1,019,993. Due to the hyperinflationary environment, a total of 60 on-going projects worth €487,993 were approved for additional funding mainly related to the completion of outstanding works and for the payment of builders' fees.

The programme staff participated in the IFAD funded Regional Water and Irrigation Management Seminar for East and Southern Africa held in Tanzania from 22-25 March 2005. The NAO, the EC and 8 members of staff from the programme went on a working visit to Uganda where they shared lessons of experience in the implementation of EDF projects in that country. Reports on both visits were prepared and presented to stakeholders. The MPP has already adopted some of the lessons learnt, e.g. the builders inspection form for construction projects.

4.3. Utilisation of Resources for Non-State Actors (NSA)

4.3.1. Zimbabwe Decentralised Cooperation Programme (8.ACP.ZIM.011)

The main programme through which NSAs access EDF funds is the Zimbabwe Decentralised Cooperation Programme. The overall objective of this programme is to alleviate poverty through enhancement of self reliance of selected rural and urban communities through enhancement of the capacity of local authorities, non state actors (NSAs) and the private sector to deliver services to the participating communities in an effective, co-ordinated and demand driven way.

a) Results in 2004

ZDCP Phase I came to an end in December 2004. It largely achieved its main objective of combining an approach of institutional and capacity building support for non state actors at

the national level and local level for participating communities and non State actors to implement and manage programmes together with the implementation of 16 specific projects in the areas of health, education, economic empowerment and food security in five participating districts. The main aims of the programme were achieved despite difficulties caused by the continuing inflationary environment, which increased costs and reduced the communities' capacity to participate. However, wider objectives such as the building up of a viable Non State Actor Forum were only partially achieved in the first phase of the project and remain an important priority for the next phase.

During 2004 a new phase of the programme was approved and a financing agreement signed in December 2004 with the Zimbabwe Government for €8 million.

The programme experienced some problems, which impacted negatively on the implementation and progress. Although the rate of inflation continued to drop during the course of the year, it was not enough to halt the erosion on the budgets, which were negatively affected.

The requirement for 25% community contribution also caused some problems in some areas since it is an in kind and not a financial contribution. Some communities lack the resources to make this contribution, e.g., where there is no draught power, the communities have to use buckets to transport sand and stones to construction sites and this may cause delays. Also this contribution needs to be quantified, e.g. how many tons of sand will add up to 25% contribution.

b) Progress in activities during 2004

1) The Programme continued with the facilitation of the implementation of 16 projects in the four thematic areas of health, economic empowerment, education and food security in all the five participating districts. Eight projects were completed in 2004 namely, Chitani Primary school, Chiedza market stalls, Mtapa housing, Nyunga Primary school, Charuma Primary school, Mutema Primary and secondary schools and the Mucheni Mass Communication and education project. Sinansengwe Clinic is almost complete. Additional funds amounting to €371,601.04 were made available to these projects for further small activities in order to utilise remaining balances. Local communities participated fully in project implementation through the provision of labour and local materials. Resources were also mobilised from the local private sector and other stakeholders like the urban and rural district councils. Some projects remain to be completed under the new phase of the programme.

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 2004 focused on: Permaculture, HIV and Gender, Leadership and Governance, Information and Communication, Project Cycle Management and Strategic Review Planning. Expenditure here amounted to €311,151.90.

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 the **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. Expenditure for the NDF amounted to €218,392.65.

Expenditure for the administration of the programme in 2004 was €514,777.52.

4.4. 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 Sector Programme is being prepared for implementation in the course of 2006. The amount of €15.8 million earmarked for this project will cover most of the B-Envelope. €1.9 million have been used for the African Peace Facility while a reserve of €1.3 million has been set aside for ECHO operations.

4.5. Other Instruments

4.5.1. STABEX 94

a) Results

The STABEX 1994 transfer was €6,029,023 but was further augmented by the balances from the earlier STABEX transfers 1992 and 1993 bringing the total transfer to €9,042,637.89.

The main objective of the 1994 transfer is the use of the funds for research and training in both the cotton and coffee sectors and for the development of infrastructure in the coffee sector. Before the GAC decision of February 2002, beneficiary organisations under the transfer included the Cotton Research Institute (CRI), Cotton Training Centre (CTC), Coffee Research Station (CRS) and small-scale cotton and coffee growers. However, following the GAC decision of February 2002 and the restructuring the European Commission support to Zimbabwe, only the Cotton Training Centre and the small-scale cotton and coffee growers remain as beneficiaries.

b) Progress in activities during 2004

During 2004, a detailed study for the design and construction of infield works for the seven gravity fed irrigation schemes covering about 233 hectares and benefiting some 300 smallholder coffee farmers was conducted. A local open tender for the construction of the irrigation schemes was also launched and the construction of the infield works is expected to be commence during the first half of 2005

As for the cotton sector, the Cotton Training Centre trained a total of 1,189 small-scale growers and 141 extension workers in 2004. A total of Z\$2,047,357,499 was transferred to the Cotton Training Centre in support of its 2004 annual training programme.

In addition to the detailed study for the Honde Valley irrigation schemes infield designs and construction, the STABEX 1994 programme also commissioned a study on the future sustainability of the Cotton Training Centre and detailed sector studies on the Coffee and Cotton sectors. The findings and recommendations of these studies will be implemented in 2005 and they will also be used to further target the use of the available balances under the Stabex 1994 programme.

4.5.2. STABEX 95

The Government of Zimbabwe and the European Commission have still to agree on how the transfer should be utilised.

Possible areas of interventions could be a wider livestock support programme, a crop support programme, and a support programme to the three farmers' unions. Some technical support should be provided to the Foot and Mouth Disease programme financed with regional funds under SADC. In the framework of the Economic Partnership Agreement (EPAs) some assistance could be rendered towards increasing the negotiating capacity locally and regionally in the areas concerned (for instance, agriculture cluster).

It is foreseen that by April 2005 such a programme proposal would be submitted to HQ for approval at the latest in June 2005 and planned for commitment in late 2005.

4.5.3. Regional Co-operation

SADC Scholarship Programme for Bachelor of Veterinary Science Students (7.ACP.RPR.306)

a) Results

The financing agreement was signed in 1994 and the project provides scholarships to nationals of other SADC countries to train for the Bachelor of Veterinary Science degree at the University of Zimbabwe. Two students graduated in August 2004 bringing the total number of students who have successfully completed the programme since its inception to sixteen against a financing agreement target of 30. The level of disbursement was just over 96% by end of 2004.

b) Progress in activities during 2004

The project provided scholarship support to two students during the year.

SADC Regional Food Security Training Programme (8.ACP.RAU.003)

a) Results

The purpose of this project is to enable the quality of service, advice and analysis provided by organizations in SADC concerned with food, agriculture and natural resources. The rather late approval of the rider to the original budget of the financing agreement and also the restructuring of SADC slowed down project activities for most of the first half of 2004. The 2004 annual work programme only started in August 2004 and is expected to end by 31 July 2005. A total of two new courses were developed in 2004, and by December 2004, the programme had successfully developed fifteen new courses against a target of fifteen. Twelve national courses are planned for the 2004/05 annual work programme. To date over 700 people have participated in the training activities.

b) Progress in activities during 2004

The 2004/05 work programme seeks to:

- Increase the quality and quantity of food security training services available in the SADC region;
- Develop and strengthen effective awareness of food security training; and
- Develop a regional market for food security training.

Two new courses were developed in 2004 and will be conducted during the first half of 2005. The project also further developed a quality control and accreditation system for its training courses and will be finalised during the first half of 2005.

The Commission approved the Regional Authorising Officer's request for a 20 percent rider to the original budget of the financing agreement in April 2004. By the end of December 2004, almost 100 percent of the project funds had been committed and almost 82 percent of it had been disbursed.

A SADC regional monitoring team from the Danish Management A/S monitored the project in October 2004. Its main observation was that even if food security still remains very relevant in the SADC region, the SADC member states do not have a uniform strategy, which compromises the regional character of the SADC RFSTP. Their main recommendation was that the Regional Training Unit should perform ex-post assessment of its training activities to determine and measure impact of its training courses. They also further recommended the need for the Commission to closely monitor and supervise the activities of the programme.

Utilisation of the Remaining Structural Adjustment Counterpart Funds (CPF)

a) Results

For 2004, the remaining Counterpart Funds (CPF, see Annex 8.3) were mainly used within the NAO's office.

The support covered various activities aimed at improving the Capacity of the NAO's office to implement more efficiently the development co-operation under the Lome IV Convention and the ACP-EU Partnership Agreement. This followed the realisation of the need to improve the speed of the implementation of National Indicative Programmes funded under the 7th and 8th EDF, the need to complement the efforts of the EC Delegation in the co-management of EDF projects, the need to improve the dialogue between the EC Delegation and the need for the NAO's office to be able to coordinate other line ministries for effective aid delivery.

Funding was specifically targeted towards technical assistants in the day-to-day management of EDF funds including training and transfer of skills. There was also funding for other support staff in the areas of accounts, book keeping and general administration. In addition, limited project equipment, vehicles and operational support were provided specifically for the purpose of implementing EDF projects.

All disbursement of the CPF followed EDF procedures and regulations.

b) Progress during 2004

As a result of the support, the NAO's office working closely with the EC Delegation and other Government line ministries was able to perform its mandate as specified under Annex IV, Chapter 6, Article 35 of the Cotonou Agreement. The following activities were satisfactorily carried out:

- Programming of EDF 7th and 8th EDF balances led to the signing of new financing agreements in form of (1) Zimbabwe Developing Communities Programmes (2), Technical Cooperation facility and the preparation of new micro-projects programme and Health sector support programme;
- Drafting of Joint Annual Report and Reviews for 2003;
- Coordination of implementation and follow-up of all existing EDF projects through the NAO's office;
- Improvement in financing and accounting management systems: The NAO's office has started to take over the invoice checking and the preparation of payment orders.

4.5.4. Community Budget Lines

In 2004 the Delegation's support for NGOs from EC budget resources included a total of 21 on-going projects in the area of human rights and governance, poverty related diseases (HIV, AIDS and malaria), strengthening the livelihoods of poor rural communities, care of orphans and the environment. Zimbabwe continued to be a focal country for support under the European Initiative for Democracy and Human Rights in 2004. Projects supported in the area of human rights and governance focus on legal counselling, addressing corruption, corporate governance, media reporting on elections, utilisation of human rights instruments and encouraging citizen participation in the democratic process. The AIDS related programmes focus on education and awareness raising among the youth, prevention, treatment and care and support to children living with HIV and AIDS as well as the development of a strategic framework for a national response to HIV and AIDS). An amount of € 1,483,746 was made available during the year for these projects. Two new three year projects were approved for NGOs in the health sector with a focus on HIV and AIDS for a total amount of € 7,616,000.

In their fieldwork, 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 the initial project proposals and were making satisfactory progress.

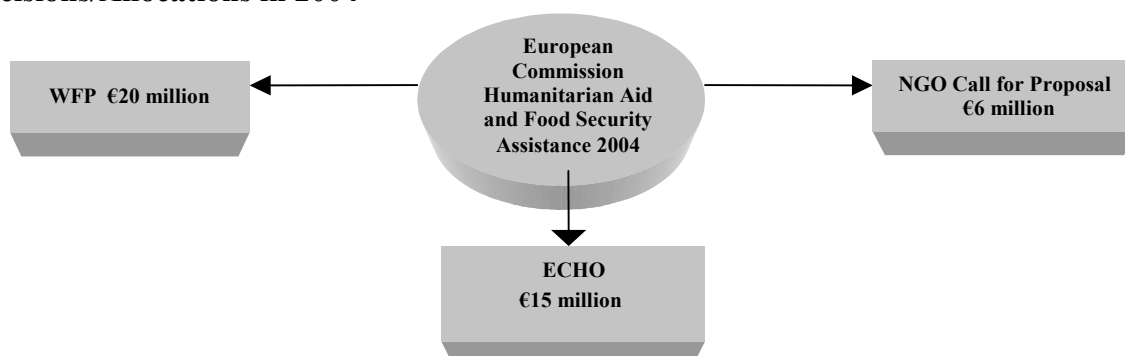
4.5.5. Food Relief Operations

Continuing its commitment to Zimbabwe in emergency and food aid allocations and food security interventions, the EC was the main contributor to the emergency appeal launched by the Government in July 2003 and extended in 2004. A total of €26 million were made available from the Food Security Budget Line (FSBL) to finance operations in 2004, of which:

- €20 million, (committed in December 2003 but used entirely in 2004) specifically to procure and distribute maize as well as corn soya blend (CSB) through the World Food Programme (WFP). This contribution secured the EC was the biggest contributor to the Zimbabwean operations of WFP.
- €6 million to NGOs through the Call for Proposal process. NGO projects specifically addressed agricultural recovery through the procurement of seeds and fertilizer as well as complementing the school feeding programmes being undertaken by WFP.

In continuing to source the product in the region, EC food aid commitments assisted markets in South Africa, Zambia and Malawi. Regional sourcing minimizes logistical constraints and enables maize to be put at the disposal of NGO implementing partners without delay and at a lower cost compared to Europe and elsewhere.

Decisions/Allocations in 2004



4.5.6. Other Relief Operations – ECHO

ECHO committed €15 million to Zimbabwe for the year 2004. This was in addition to projects funded under the 2003 €25 million emergency package for Southern Africa under which some of the projects funded in Zimbabwe lasted through to mid 2004.

ECHO's support to Zimbabwe targeted the most vulnerable populations through a number of sectors. These included nutritional support through food aid for Home Based Care patients, therapeutic feeding of severely acute malnourished, children under five years, as well as supplementary feeding and school feeding. ECHO's assistance also focused on emergency food security by assisting self-subsistence agricultural interventions and support for the rehabilitation of communal livestock infrastructure. The targeted supplementary feeding interventions reached at least one million children, while nearly 500,000 communal households received assistance in food security.

In addition ECHO was the single biggest donor targeting assistance for the rehabilitation of water points in rural villages, as well as the construction of school latrines in response to mitigating the effects of the collapse of public services. Depending on the rural communal area, up to 30-70% of water points have fallen into disrepair, while access to adequate water and sanitation of Internal Displaced Populations stands at less than 1%.

By February 2005, ECHO's support will have reached close to 1,250,000 beneficiaries since 2003, which represents approx. 16% of the total rural population of Zimbabwe and shows that it is possible to reach a wide spectrum of stakeholders through water and sanitation interventions.

There have been noted increases in the prevalence of diarrhoea and other water born diseases including outbreaks of cholera epidemics, for which ECHO responded through WHO by providing sufficient cholera kits to treat up to 2,000 cholera cases if need be.

ECHO has and will continue to request its partners to mainstream prevention (reducing incidence), and mitigation (reducing the social and economic impact) of HIV and AIDS throughout all ECHO-funded projects.

ECHO has also been targeting integrated assistance to orphans and vulnerable children (OVC) through local village communities in support of child protection, psychosocial counselling, HIV and AIDS prevention, mitigation and awareness, sanitary, health and hygiene training, water and sanitation and the provision of non-food items.

Mobile and vulnerable populations were also supported with non-food items, water and sanitation facilities and small self-subsistence agricultural support.

ECHO's assistance also included provisions to support the UN aid co-ordination efforts in addition to sector specific UN agency mandated responses. This included support for monitoring, information GIS mapping, logistical support, capacity building training for all stakeholders. This was to improve the coordination and information flow between NGOs, UN Government and donors.

5. Programming Perspectives for the Coming Years

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 in the form of emergency 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.

Following the approval of two operations in 2004, i.e. Technical Cooperation Facility (€1.4 million) and Decentralised Cooperation (€8 million), the timetable for the planned projects is as follows:

- Health Sector Support Programme (B-Envelope €15.8 million). Expected start: 2006
- Remaining funds of the previous EDF's shall be set aside for
 - Microprojects Programme (€8 million) – Expected start: 2005
 - Support to the Parliament (€1 million to be channelled to a UNDP led project) – Expected start: 2005
 - Micro Irrigation project (€4 million) – Expected start: 2006
 - Trade Capacity building (€1 million) – Expected start: 2006

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

In order to be able to implement these projects intensive efforts have to be undertaken to decommit old contracts (commitments) and projects and to use the old project balances for new activities.

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

However, there will be some identification work done for the trade capacity building project and also under the programming of the remaining STABEX resources identification work is to be expected for the different components. This may assist in the preparation of the future strategy, which - once relations with Zimbabwe are being normalised - may include a agricultural sector programme as well as trade capacity building activities apart from the social sector support.

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

Further, the signs of deterioration in the health and education sectors, the severe impact of HIV and Aids, and the “donor orphan” status of Zimbabwe requires that attention be paid to these sectors and assistance continue in both sectors.

6. Dialogue in Country with the NAO and NSAs, and Donor Coordination

6.1. Dialogue in Country with the NAO and NSAs

Dialogue with the NAO is ongoing in a good and constructive atmosphere. Major (more political) meetings are being held on a quarterly basis. Many technical meetings are called in ad hoc. The NAO forms part of the Steering Committee group of the Decentralised Cooperation Programme (ZDCP), which is a major NSA driven programme. Due to the suspension of the 9th EDF there is no wider NSA support apart from inclusion of NSAs in this specific programme.

The chairperson of the ZCDP has also attended some meetings between the Delegation and the NAO during the annual review process.

The delegation maintains continuous contact with a variety of non-state actors whose views are sought both on the political, social and economic situation in the country and on the EU policy agenda. There has been a particular focus on human rights and governance issues, the NGO Bill, and election related issues. .

The contracts signed in December 2004 for EC support for two consortia of NGO's on HIV and AIDS will harmonise co-ordination of support and positively influence the health care delivery in the districts. Further, public-private partnerships will be strengthened. Donor Co-ordination

Donor Coordination is regularly taking place on Heads of Mission, Political Councillors and Development/Economic Councillors level. New efforts are being undertaken in order to follow up on the Barcelona and Monterrey Commitments to use aid more effectively through a process of better donor coordination. The coordination process should aim at harmonisation of donor strategies with the ultimate target of alignment with a Government's poverty reduction strategy to which all donors could subscribe.

Looking at the actual situation in Zimbabwe such alignment processes may have to be studied carefully and judged vis-à-vis the political scenarios, which different donors have developed. Implementation of elements of the donor harmonisation efforts will be pursued during the coming year.

7. Conclusions

The Joint Annual report has been prepared with the NAO during the months of January to, March 2005. In two meetings on 2 March and 16 March an agreement on the contents of the report will have to be found. The report will be part of country evaluation process in Brussels followed by an in-country meeting of staff from head office with the NAO.

Zimbabwe is a particular case and like other ACP countries, which have not yet a signed 9th EDF-Country Strategy Paper (CSP), it has not been subject to a Mid-Term Review in the strict sense.

Therefore the Joint Annual Report (JAR) 2004 refers essentially to the implementation of programmes and projects under the 7th and 8th EDF.

7.1. Zimbabwe-EU relations and 2004 implementation of EC development co-operation

On 17 February 2004, the European Council decided to extend for a further period of 12 months, until 20 February 2005, the application of the measures adopted in February 2002¹.

In 2004, the current relations between the EC and Zimbabwe have continued to be affected by the above-mentioned Decision implying a partial suspension of EDF development assistance to Zimbabwe. Nevertheless, the EC has remained fully engaged for projects in direct support of the population (health, education, micro-projects, decentralised co-operation, democratisation, respect for human rights, the rule of law and humanitarian and food security support)². Moreover, the EC has also tried to fill some gaps left by the withdrawal or scaling down of other donor contributions.

Total available resources, from former EDF funds, excluding STABEX funds, amounted at the end of 2004 to around €29.6 million to continue the financing of programmes and projects in direct benefit of the Zimbabwean population, well identified within the framework of the mandate of the 18 February Council Decision and its subsequent restructuring of EDF portfolio exercise and following a ‘pipeline’ set up for the period 2004-2007.

The implementation of EDF projects led to disbursements of €19 million in 2004. The main problems hampering the implementation of EC assistance on the ground were the political and the economic challenges although there was some improvement on the ground; inadequate Government resources to cover social sector needs present a serious impact. The brain drain and the HIV and AIDS pandemic have worsened the situation.

In the regional field, Zimbabwe is a member of SADC and COMESA and has continued to benefit from EDF regional programmes³ such as the Regional Food Security Training Programme. Following the inauguration of the Eastern and Southern Africa (ESA) configuration in Mauritius in early 2004 Zimbabwe formed working groups for the six clusters on which the ESA group has decided to negotiate. Zimbabwe’s main issues in the EPA negotiations are: market access, agriculture and fisheries, trade-in-services, trade-related issues, development cooperation. There is a need for capacity building as preparations are under way for deeper regional integration in preparation for EPA negotiations.

¹ Official Journal of the European Communities L 50 of 21.02.2002, page 64.

² In 2003, projects on democratisation, human rights and rule of law were financed through EC budget lines.

³ Regional projects fall out of the scope of the 18 February 2002 Council Decision and are evaluated on a case-by-case basis. When evaluating the participation of Zimbabwe it has to be taken into consideration if its non-participation could hamper the whole project from obtaining the expected results to the detriment of other beneficiaries.

Despite the situation, a fruitful and constructive dialogue has continued between the NAO and the EC Delegation in the fields of the ongoing co-operation within the framework of the mandate of the Council Decision. The NAO's office has been constructively assisting the implementation of projects. With the new Finance and Contract (F&C) section of the Delegation a close coordination of preparation of payment orders has started which shall ultimately all be prepared in NAO's office. Apart from the F&C section the Delegation was reinforced in the social sectors and food security/agriculture.

7.2. Main Political, Economic and Social Developments in Zimbabwe during 2004

7.2.1. Political Situation

Several parliamentary by-elections were held as well as local council elections in rural and urban areas. The most notable one was the Lupane by-election where ZANU-PF was able to regain a seat, which it lost in the 2000 Parliamentary elections. From mid 2004 onwards, the MDC decided a boycott of further elections alleging that the playing field was not free and fair as they were continuously hampered in their campaigning by the security and media laws. Consequently, additional the seats were won by the ZANU-PF. Though accompanied by some violence there was a reduction compared to levels experienced in 2003.

Following the adoption of the SADC guidelines by the Government of Zimbabwe in Mauritius in July 2004, two new electoral laws were debated and passed by Parliament in December 2004 and welcomed as a positive step towards improving the electoral environment.

In the second half of the year, a draft NGO bill to regulate the NGO activities and which raised significant concerns among civil society and donors was intensively debated in Parliament and amongst stakeholders. Despite widespread consultation, clauses outlawing the foreign funding of NGO activities in the areas of human rights and governance remained in the bill, which was passed by Parliament in December 2004. The EU made its concerns known that the ban on foreign funding also transgressed the spirit of the Cotonou Convention, an opinion which was not shared by the Government. At the end of 2004 President Mugabe had not yet signed the bill into law.

7.2.2. Economic Situation

2004 saw Zimbabwe's real GDP decrease for the sixth consecutive year, albeit on a lower level than in the years before Zimbabwe's trade with the EU also continued its decline.

On the positive side, the Reserve Bank Governor has had some success in the areas of foreign exchange inflows and in reducing inflation. Thus, annual inflation rates were reduced from its peak of 622.8% in January 2004 to 132.7% in December 2004 as a result of tightening monetary policies. Forex inflows increased from only US\$301.7 million in 2003 to US\$1,711 million in 2004. The increase in forex inflows was first and foremost due to official inflows via the auction system introduced in January 2004, which in the first half of 2004 rendered the parallel market superfluous.

Another positive development was that no supplementary budget was adopted, which was the first time in five years. However, despite these limited successes, economic activity remained very weak throughout the year mainly because of lack of foreign exchange, high inflationary environment, lack of investor confidence, the reduced international development assistance, and reduced agricultural production.

7.2.3. Social Sectors and Humanitarian Situation

During the last four years the situation in the social sectors has deteriorated due to increasing needs and a lack of public resources. In 2004, the economic challenges continued to prevent people from investing in human capital, as illustrated by relatively high dropout rates.

The health and education systems are no longer able to provide adequate services for the majority of the people. Erosion of professional skills is a major threat to the future resilience and growth potential of the economy.

The main constraints in both sectors are:

- The high HIV and 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.
- The decline in real public expenditure affecting infrastructure, equipment and wages.
- The high vacancy rates due to brain drain as well as the impact of the HIV and AIDS pandemic.
- The lack of infrastructure and transport facilities and lack of incentive to attract and maintain skilled staff.

The EC support, as re-oriented since 2002, has been an urgent response in the short to medium term, but it is not sustainable in the long run.

Almost half of the population were benefiting from food assistance during 2004. The EC provided food and other humanitarian aid exclusively through international and non-Governmental structures.

The amounts allocated for the seasons 2002-03, 2003-04 and 2004-05 are shown below:

Table 7.1 – EC Humanitarian Aid and Food Security Assistance

Budget line (€ million)	2002-03	2003-04	2004-05
Food aid ⁴	63.8	60.0	6.0
Humanitarian aid	25.0	40.5	15.0
Total	88.8	100.5	21.0

7.2.4. Perspectives for the future EC-Zimbabwe relations

In the framework of the annual review of the 18 February 2002 Council Decision, and despite of the roll-over decision for one more year, the European Union emphasized its willingness to continue with its direct assistance to the Zimbabwean population and its desire to pursue dialogue with Zimbabwe.

2004 has not seen any substantial progress of the ‘impasse’ situation in the relationship of the EC with Zimbabwe. There is no signed 9th EDF-Country strategy and the financial allocations remain frozen (A-envelope). In spite of this, the NAO and the EC Delegation have presented in 2004 two projects for approval – Decentralised Cooperation (€8 million) and Technical Cooperation Facility (€1.4 million) – and will present in 2005 a health project funded from the B-envelope of the 9th EDF and a micro-projects programme from previous EDF funds. Further operations are planned in trade capacity building and micro irrigation either in 2005 or in 2006.

The programming perspectives for the future will depend highly on how the situation in Zimbabwe evolves in the short to medium run.

⁴ Mainly through WFP and the rest through a consortium of NGOs called Euronaid.

8. ANNEXES

8.1 PROSPECTIVE ANNEXES

- 8.1.1 Chronogram of Activities/Pipeline
- 8.1.2 Indicative Timetable for Commitments and Disbursements/Forecast

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- 8.2.2 Financial Situation for 7th EDF
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8.3 THEMATIC ANNEXES

- 8.3.1 Country Environment Profile
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8. Annexes

8.1. Prospective Annexes

8.1.1. Chronogram of Activities/Pipeline



EUROPEAID
CO-OPERATION OFFICE

ZIMBABWE

EDF FORECATS 2005-2006 : NEW GLOBAL Commitments (including individual commitments & Payments).

(amounts in €)

DECISION DATE	PROJECT TITLE (GLOBAL COMMITMENT)	AMOUNT	RISK	FORECASTS 2005								FORECASTS 2006						
				1st SEMESTER		2nd SEMESTER		TOTAL 2005		ESTIMATION of RISK FACTOR FOR PAYMENTS			1st SEMESTER		2nd SEMESTER		TOTAL 2006	
				INDIVID. COMMIT.	PAY-MENTS	INDIVID. COMMIT.	PAY-MENTS	TOTAL INDIV. COMMIT.	TOTAL PAY-MENTS	Low	Medium	High	INDIVID. COMMIT.	PAY-MENTS	INDIVID. COMMIT.	PAY-MENTS	TOTAL INDIV. COMMIT.	TOTAL PAY-MENTS
TOTALS on NEW GLOBAL Commitments.		29,800,000		0	0	2,900,000	1,190,000	2,900,000	1,190,000	600,000	250,000	340,000	7,700,000	4,350,000	6,550,000	4,900,000	14,250,000	9,250,000
07-2005	Vital Health Services Support Programme (VHSSP)	15,800,000	1					0	0				5,000,000	2,500,000	5,000,000	3,500,000	10,000,000	6,000,000
06-2005	13th Microprojects Programme	8,000,000	1	0	0	2,400,000	940,000	2,400,000	940,000	600,000	250,000	90,000	1,500,000	1,000,000	1,000,000	500,000	2,500,000	1,500,000
10-2005	Micro-Irrigation Development Programme	4,000,000	3	0	0	0	0	0	0				1,000,000	500,000		500,000	1,000,000	1,000,000
10-2005	Trade Capacity Building Programme	1,000,000	3	0	0	0	0	0	0				200,000	100,000	300,000	200,000	500,000	300,000
10-2005	Support to parliament	1,000,000	3			500,000	250,000	500,000	250,000			250,000	0	250,000	250,000	200,000	250,000	450,000

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YEAR of GLOB. Commit.		ACCOUNTING NUMBER of GLOB. Commit.		0		TITLE GLOBAL COMMITMENT			END date of implementat	N° CAT. OLD RAP	EXTENS° REQUEST on GLOB. Y/N	SITUATION END 2004			FORECAST DECOMMITMENTS 2005			FORECASTS on PAYMENTS 2005				FORECAST PAYMENTS 2006		
GLOBAL COMMIT.	INDIV. COMMIT.	RAC	DECOMMIT. on GLOBAL.	DECOMMITTED on INDIV.	Low X	Medium Y	High Z	1 st SEMESTER A	2 nd SEMESTER B	TOTAL A+B	Low L	Medium M	High H	1 st SEMESTER C	2 nd SEMESTER D	TOTAL C+D								
AMOUNT ONGOING INDIV. COMMIT.	PAYMENTS ON ONGOING INDIV. COMMIT.	RAP	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR	ESTIMATION of RISK FACTOR														
AMOUNT ONGOING INDIV. COMMIT.	PAYMENTS ON ONGOING INDIV. COMMIT.	RAP	Low X	Medium Y	High Z	Low L	Medium M	High H	Low L	Medium M	High H	Low L	Medium M	High H	Low L	Medium M	High H							
AMOUNT ONGOING INDIV. COMMIT.	PAYMENTS ON ONGOING INDIV. COMMIT.	RAP	Low X	Medium Y	High Z	Low L	Medium M	High H	Low L	Medium M	High H	Low L	Medium M	High H	Low L	Medium M	High H							
45,493,536	29,922,068	15,671,468	77,974	77,974	0	0																		
28,000,861	18,578,957	9,441,725	4,831,337	1,269,300	0	2,762,036	2,470,051	1,651,179	4,121,230	3,858,273	262,957	0	1,550,000	0	1,550,000									
2001 8ACP ZIM18 0 PREPARATION OF SECOND HEALTH SECTOR SUPPORT PROGR HSSP II	20011231	N	71,500	66,378	5,122	5,122										0								
2001 8ACP ZIM19 0 HEALTH SECTOR SUPPORT PROGRAMME II	20060930	N	33,000,000	26,176,506	6,823,494											0								
2001 8ACP ZIM19 4 EUROPEAID/LS-BUCHMANN MEDICAL CARE & SERV.-87.488.756,25	20040820		2,102,000	2,101,609	391	391										0								
2001 8ACP ZIM19 5 LOT 4 - MISSIONPHARMA INTERNAT.PROJECT SERV. - 110.067.073	20041220		2,644,881	2,452,532	192,350					192,350	192,350	150,000	42,350			0								
2001 8ACP ZIM19 6 LOT 2 - MISSIONPHARMA INTERN.PROJECTS SERV. - 25.238.758,20	20050620		604,881	434,274	170,607					170,607	170,607	150,000	20,607			0								
2001 8ACP ZIM19 7 LOT 3 - CROWN AGENTS - 349.634.313	20050516		8,390,907	8,322,102	68,806	68,000	68,000			68,806	68,806	68,806				0								
2001 8ACP ZIM19 8 LOT 1 - CROWN AGENTS - 123.490.976,25	20050516		2,938,000	2,937,538	462					462	462					0								
2001 8ACP ZIM19 9 TECHNICAL ASSISTANCE - ADEES - 51.146.936	20050131		960,000	638,821	321,179					266,000	55,179	321,179	321,179			0								
2001 8ACP ZIM19 10 S.N. LABORATOIRES LA FRAN - 5.404.023.ZWD	20021220		99,710	99,710	0											0								
2001 8ACP ZIM19 15 SUPPLIES CONTRACT JOS HANSEN - 11.859.859.ZWD	20030627		218,827	218,827	0											0								
2001 8ACP ZIM19 19 LAFRAN LOT 6 - 12.471.500	20041031		264,613	264,609	4											0								
2001 8ACP ZIM19 23 SERV CONTR.ZIM0203 - PWCOOPERS-ZWD3.000.641.00	20020804		0	0	0											0								
2001 8ACP ZIM19 24 SUPPLY CONT HOOK&TUCKER ZENYX141.721.700ZWD BLOOD GROUP MAC	20040616		150,000	132,313	17,687					17,687	17,687	17,687				0								
2001 8ACP ZIM19 25 W/P HEALTH SECTOR SUPPORT PROGRAMME II 01122003-30112004	20041130		620,000	372,000	248,000	388,000	388,000									0								
2001 8ACP ZIM19 26 K2 TECH TOP - HIV/AIDS CONFERENCE EUR 79,937.00	20040726		79,937	67,946	11,991	11,991	11,991									0								
2001 8ACP ZIM19 27 W/P-SAFE BLOOD SUPPORT TO NBTS- 01.04.04-30/11.04 EUR 321,000	20041130		321,000	122,400	198,600	295,000	295,000									0								
2001 8ACP ZIM19 28 ENHANCED PLANNING FOR HIV/AIDS-01/05/04-30/11/04 EUR 685,000	20041130		585,000	218,200	366,800	485,000	485,000									0								
2001 8ACP ZIM19 29 FEASIBILITY STUDY FOR HEALTH SECTOR PROGRAMME III	20041113		86,165	57,677	28,489					28,489	28,489	28,489				0								
2001 8ACP ZIM19 30 CROWN AGENTS LOT 1-EUROPEAID/119112/D/S/ZW- EUR 1,922,000.96	20051020		1,923,000	0	1,923,000					600,000	1,200,000	1,200,000				700,000		700,000						
2001 8ACP ZIM19 31 CROWN AGENTS LOT 2-EUROPEAID/119112/D/S/ZW- EUR 1,257,164.77	20051021		1,258,000	0	1,258,000					400,000	400,000	800,000				450,000		450,000						
2001 8ACP ZIM19 32 BUCHMANN- EUROPEAID/119112/D/S/ZW- LOT 6 DISPOSABLE MED SUPP	20051130		1,196,755	0	1,196,755					400,000	396,000	796,000	796,000			400,000		400,000						
2001 8ACP ZIM19 33 F N FINANCIAL SERVICES-TECHNICAL ASSIS.TO NBTS EUR25,650.00	20050302		25,650	0	25,650					25,650	25,650	25,650				0								
2001 8ACP ZIM19 Total Individual Commitment			24,469,327	18,440,557	6,028,770					0						0								
2001 8ACP ZIM20 0 PROCUREMENT TENDER PREPARATION UNDER HSSP II	20010814	N	40,000	27,829	12,171	12,171	12,171									0								
2001 8ACP ZIM17 0 FRANCHISE ART 196 A - COTON	20011231	N	2,762,036	2,762,036	0											0								
2001 8ACP ZIM17 1 STABEX18/REP LIV2ND PRZIM REPAYMENT AGREEMENT ART 196(A)	20011231		2,762,036	0	2,762,036	2,762,036							2,762,036			0								
2001 8ACP ZIM17 Total Individual Commitment			2,762,036	0	2,762,036					0						0								
2002 8ACP ZIM21 0 EDF-FUNDED PROJECTS TERMS OF EMPLOYMENT STUDY	20020621	N	80,000	60,000	20,000	20,000	20,000									0								
2002 8ACP ZIM21 1 ERNST & YOUNG CHARTERED ACCOUNTANTS - 2.973.095	20020619		60,000	54,815	5,185	5,185	5,185									0								
2002 8ACP ZIM21 Total Individual Commitment			60,000	54,815	5,185					0						0								
2002 8ACP ZIM24 0 IMPLEMENTATION OF THE TERMS OF EMPLOYMENT STUDIES	20030930	N	80,000	47,200	32,800	32,800	32,800									0								
2002 8ACP ZIM24 1 ERNST ET YOUNG 47200 EURO	20040731		47,200	31,500	15,700	15,700	15,700									0								
2002 8ACP ZIM24 2 JOS GRAM HANSEN - EUROPEAID/116743/D/S/ZW-LOT 1 EUR 244,875/	20051018		0	0	0											0								
2002 8ACP ZIM24 Total Individual Commitment			47,200	31,500	15,700					0						0								
2003 9ACP ZIM1 0 REVIEW OF AGRICULTURAL SECTOR FOLLOWING LAND REFORM	20051014	N	60,000	52,119	7,881	7,881	7,881									0								
2003 9ACP ZIM1 1 AFRICAN INST FOR AGRARIAN STUDIES 52118.64 EURO	20040516		52,119	52,085	34	34	34									0								
2003 9ACP ZIM1 Total Individual Commitment			52,119	52,085	34					0						0								
2004 9ACP ZIM2 0 TECHNICAL COOPERATION FACILITY (TCF)	20101031	N	1,400,000	0	1,400,000											0								
2004 9ACP ZIM3 0 DEVELOPING COMMUNITIES PROGRAMME (ZDCP) PHASE II	20101231	N	8,000,000	630,000	7,370,000											0								
2004 9ACP ZIM3 1 ZDCP - ADMIN FUND PROGRAMME ESTIMATE NO 1 EURO 625,324.00	20051231		630,000	0	630,000					300,000	200,000	500,000	300,000	200,000		0								
2004 9ACP ZIM3 Total Individual Commitment			630,000	0	630,000					0						0								

8.2. Retrospective Annexes

8.2.1. Financial Situation for 6th EDF

Table 8.1 – EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary Commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 6 NIP	75,375,806.30	73,072,085.85	71,953,481.32	73,640,908.46	72,816,082.23	72,411,887.09	19,550,000.00	18,523,788.97	18,459,063.51	17,550,000.00	16,550,379.13	16,550,379.13
	Zimbabwe EDF 6 other	12,737,293.22	12,737,293.22	12,737,293.22	12,737,293.22	12,737,293.22	12,737,293.22						
	Zimbabwe EDF 6 total	88,113,099.52	85,809,379.07	84,690,774.54	86,378,201.68	85,553,375.45	85,149,180.31	19,550,000.00	18,523,788.97	18,459,063.51	17,550,000.00	16,550,379.13	16,550,379.13
Open projects													
6 ACP ZIM 29	Human Resources Development Prog.	3,550,000.00	3,324,702.94	3,311,390.93	3,550,000.00	3,324,702.94	3,311,390.93	3,550,000.00	3,324,702.94	3,311,390.93	3,550,000.00	3,311,390.13	3,311,390.13
6 ACP ZIM 31	Small Scale Irrigation Prog.	6,000,000.00	5,848,217.84	5,381,056.12	6,000,000.00	5,601,980.41	5,381,056.12	6,000,000.00	5,432,850.37	5,415,801.53	6,000,000.00	5,429,880.09	5,429,880.09
6 ACP ZIM 32	Small Scale Irrigation Prog.	8,000,000.00	7,851,129.06	7,247,362.87	8,000,000.00	7,841,362.87	7,705,768.64	8,000,000.00	7,809,108.11	7,809,108.11	8,000,000.00	7,809,108.11	7,809,108.11
6 ACP ZIM 44	Trypanosomiasis Control Programme	2,000,000.00	1,957,127.55	1,922,762.94	2,000,000.00	1,957,127.55	1,922,762.94	2,000,000.00	1,957,127.55	1,922,762.94			

NB: Primary commitments, Delegated appropriations and payment figures are going down over the years mainly because of project closures and de-commitments. This applies to all NIPs and RIPs.

8.2.2. Financial Situation for 7th EDF

Table 8.2 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary Commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 7 NIP	91,495,561.48	81,056,393.37	79,852,153.38	89,709,582.78	84,691,407.32	81,352,393.61	28,403,009.93	24,118,834.68	19,451,963.10	27,353,009.93	24,944,441.98	21,335,218.92
	Zimbabwe EDF 7 other	106,264,770.82	104,796,011.43	101,653,043.79	104,974,692.09	104,615,580.52	102,184,799.50	5,868,885.17	5,443,078.24	3,080,446.12	2,743,885.17	2,567,261.56	1,954,375.12
	Zimbabwe EDF 7 total	197,760,332.30	185,852,404.80	181,505,197.17	194,684,274.87	189,306,987.84	183,537,193.11	34,271,895.10	29,561,912.92	22,532,409.22	30,096,895.10	27,511,703.54	23,289,594.04
Open projects													
7 ACP ZIM 3	Zimtrade Support Programme	10,200,000.00	9,384,095.50	9,099,878.16	10,200,000.00	9,384,095.50	9,099,878.16	10,200,000.00	9,384,095.50	9,099,878.16	10,200,000.00	9,099,878.16	9,099,878.16
7 ACP ZIM 35	Coop. Technique Generale	497,500.00	497,500.00	269,569.29	497,500.00	497,500.00	269,569.29	497,500.00	497,500.00	269,569.29	497,500.00	269,569.29	269,569.29
7 ACP ZIM 39	Faculty Of Veterinary Science	8,100,000.00	6,739,276.88	6,490,670.37	8,100,000.00	6,968,457.85	6,658,777.50	8,100,000.00	7,016,735.85	6,805,921.28	7,050,000.00	6,848,343.22	6,780,170.43
7 ACP ZIM 52	Gokwe N&S Rural Water Supply/Sanit	1,784,131.08	1,694,799.82	1,694,799.82	1,784,131.08	1,694,799.82	1,694,799.82	1,784,131.08	1,694,799.82	1,694,799.82	1,784,131.08	1,694,799.82	1,694,799.82
7 ACP ZIM 69	ZESA V (Kariba)	3,125,000.00	3,125,000.00	1,126,071.00	3,125,000.00	3,125,000.00	1,126,071.00	3,125,000.00	3,125,000.00	1,126,071.00			
7 ACP ZIM 78	CITES Conference - Harare	220,000.00	220,000.00	85,335.66	220,000.00	220,000.00	85,335.66	220,000.00	220,000.00	85,335.66	220,000.00	85,335.66	85,335.66
7 ACP ZIM 96	12th Microproject Programme	6,842,120.36	13,000.00	6,402.66	6,842,120.36	3,860,722.81	1,343,537.50	7,821,378.85	5,525,703.51	1,581,794.55	7,821,378.85	7,031,851.49	3,490,801.22
7 ACP ZIM 97	12th Microproject Programme	2,464,511.57	1,522,400.00	1,206,649.98	2,464,511.57	2,105,400.00	1,808,212.32	2,523,885.17	2,098,078.24	1,869,039.46	2,523,885.17	2,481,925.90	1,869,039.46

8.2.3. Financial Situation for 8th EDF

Table 8.3 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 8 NIP	105,804,868.07	27,251,760.06	16,138,894.06	105,884,868.07	44,869,398.66	20,038,984.69	103,226,235.98	56,291,623.94	35,944,677.16	96,026,235.98	68,029,629.20	45,141,070.27
	Zimbabwe EDF 8 other	22,063,146.00	22,054,146.00	18,041,264.76	20,563,146.00	20,554,146.00	18,041,264.76	2,649,000.00	2,640,000.00	127,118.76	2,911,036.17	2,902,036.17	127,118.76
	Zimbabwe EDF 8 total	127,868,014.07	49,305,906.06	34,180,158.82	126,448,014.07	65,423,544.66	38,080,249.45	105,875,235.98	58,931,623.94	36,071,795.92	98,937,272.15	70,931,665.37	45,268,189.03
Open projects													
8 ACP ZIM 6	Support Service Framework Contract	1,200,000.00	1,100,000.00	261,919.29	1,200,000.00	1,100,000.00	261,919.29	1,200,000.00	1,100,000.00	261,919.29	1,200,000.00	261,919.29	261,919.29
8 ACP ZIM 7	Agric. Services And Mngment Project	12,700,000.00	4,358,735.80	1,925,937.59	6,000,000.00	4,358,735.80	1,925,937.59	6,000,000.00	4,358,725.80	1,925,937.59	6,000,000.00	1,925,937.59	1,925,937.59
8 ACP ZIM 8	Sectoral Study - Mining Sector Of Zim.	149,000.00	140,000.00	127,118.76	149,000.00	140,000.00	127,118.76	149,000.00	140,000.00	127,118.76	149,000.00	140,000.00	127,118.76
8 ACP ZIM 9	11th Microprojects Programme	7,200,000.00	7,075,209.03	6,443,565.18	7,200,000.00	7,075,209.03	6,310,548.12	7,200,000.00	7,073,590.99	6,310,648.98			
8 ACP ZIM 10	Health Sector Support Programme	24,500,000.00	5,346,000.00	2,533,744.24	24,500,000.00	5,004,584.61	3,565,212.66	24,500,000.00	5,879,756.33	4,214,924.75	24,500,000.00	16,877,891.62	8,029,121.79
8 ACP ZIM 11	Zimbabwe Decentralised Cooperation	6,000,000.00	2,841,737.39	1,234,212.32	6,000,000.00	4,939,316.86	2,725,913.42	7,200,000.00	4,995,220.39	4,054,971.59	7,200,000.00	7,150,267.31	5,752,732.52
8 ACP ZIM 13	Education Transition & Reform Prog.	11,400,000.00	622,000.00	332,172.75	11,400,000.00	1,995,447.69	750,479.44	11,400,000.00	3,821,579.59	1,476,077.88	11,400,000.00	6,174,447.97	2,504,329.62
8 ACP ZIM 16	12th Microprojects Programme	9,693,368.07	5,808,499.85	3,313,135.40	9,693,368.07	9,693,368.07	6,181,904.92	12,454,735.98	9,732,148.07	6,462,902.47	12,454,735.98	9,261,251.85	6,379,256.51
8 ACP ZIM 18	Preparation Of 2nd HSSP II	71,500.00	66,377.99	66,377.99	71,500.00	66,377.99	66,377.99	71,500.00	66,377.99	66,377.99	71,500.00	66,377.99	66,377.99
8 ACP ZIM 19	HSSP II	33,000,000.00	0.00	0.00	33,000,000.00	14,702,541.40	3,600,635.24	33,000,000.00	19,171,014.78	11,088,272.19	33,000,000.00	26,176,506.28	20,107,250.53
8 ACP ZIM 20	Procurement Tender Prep. HSSP II	40,000.00	33,200.00	27,829.30	40,000.00	33,200.00	27,829.30	40,000.00	33,200.00	27,829.30	40,000.00	27,829.30	27,829.30
8.ACP.ZIM 21	Terms of Employment Study	0.00	0.00	0.00	80,000.00	60,000.00	54,815.13	80,000.00	60,000.00	54,815.13	80,000.00	60,000.00	54,815.13
8 ACP ZIM 24	Implementation of TES	0.00	0.00	0.00	80,000.00	0.00	0.00	80,000.00	0.00	0.00	80,000.00	47,200.00	31,500.00

8.2.4. Financial Situation for 9th EDF

Table 8.4 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 9 NIP – Envelope A	0.00	0.00	0.00	0.00	0.00	0.00	60,000.00	52,118.64	0.00	9,460,000.00	682,118.64	52,085.06
	Zimbabwe EDF 9 other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
	Zimbabwe EDF 9 total	0.00	0.00	0.00	0.00	0.00	0.00	60,000.00	52,118.64	0.00	9,460,000.00	682,118.64	52,085.06
Open projects													
9 ACP ZIM 1	Review of Agricultural Sector	0.00	0.00	0.00	0.00	0.00	0.00	60,000.00	52,118.64	0.00	60,000.00	52,118.64	52,085.06
9 ACP ZIM 2	TCF										1,400,000.00	0.00	0.00
9 ACP ZIM 3	Zimbabwe Developing Communities										8,000,000.00	630,000.00	0.00

8.2.5. Financial Situation for 6th EDF, Regional Projects

Table 8.5 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 6 RIP	0.00	0.00	0.00	0.00	0.00	0.00				8,270,000.00	7,729,869.45	7,729,869.45
	Zimbabwe EDF 6 other	0.00	0.00	0.00	0.00	0.00	0.00						
	Zimbabwe EDF 6 total	0.00	0.00	0.00	0.00	0.00	0.00				8,270,000.00	7,729,869.45	7,729,869.45
Open projects													
6 ACP RPR 183	Isotope Laboratory	0.00	0.00	0.00	0.00	0.00	0.00				300,000.00	109,109.30	109,109.30
6 ACP RPR 468	Trypanosomiasis Control										7,970,000.00	7,620,760.15	7,620,760.15

8.2.6. Financial Situation for 7th EDF, Regional Projects

Table 8.6 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary Commitment	Delegated appropriations	Payments
Totals	Zimbabwe EDF 7 RIP	91,495,561.48	81,056,393.37	79,852,153.38	11,821,171.02	11,748,775.69	11,537,064.67	4,970,000.00	4,897,604.67	4,790,724.27	10,334,251.90	10,261,919.91	10,149,961.64
	Zimbabwe EDF 7 other	106,264,770.82	104,796,011.43	101,653,043.79	4,231,501.23	4,171,603.97	4,171,603.97	461,380.85	401,483.59	401,483.59	461,380.85	401,483.59	401,483.59
	Zimbabwe EDF 7 total	197,760,332.30	185,852,404.80	181,505,197.17	16,052,672.25	15,920,379.66	15,708,668.64	5,431,380.85	5,299,088.29	5,192,207.86	10,795,632.75	10,663,403.50	10,551,445.23
Open projects													
7 ACP RPR 085	SADC RFSTP										5,364,251.90	5,356,875.24	5,356,875.24
7 ACP RPR 094	SADC MWIRNET	3,970,000.00	3,966,494.67	3,896,115.48	3,970,000.00	3,966,494.67	3,896,115.48	3,970,000.00	3,966,494.67	3,896,115.48	3,970,000.00	3,966,494.67	3,896,115.48
7 ACP RPR 155	Regional Foot & Mouth Disease Control Prog.	461,380.85	407,847.29	401,483.59	461,380.85	401,483.59	401,483.59	461,380.85	401,483.59	401,483.59	461,380.85	401,483.59	401,483.59
7 ACP RPR 306	Faculty Of Veterinary Science - SADC	1,000,000.00	918,000.00	696,303.32	1,000,000.00	931,100.00	789,778.17	1,000,000.00	931,000.00	894,608.79	1,000,000.00	938,550.00	896,970.92

8.2.7. Financial Situation for 8th EDF, Regional Projects

Table 8.7 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 8 RIP	4,153,000.00	3,799,073.63	2,496,881.81	4,153,000.00	3,149,502.82	2,603,230.13	4,153,000.00	4,137,962.49	3,151,408.55	4,153,000.00	4,137,962.49	3,663,169.92
	Zimbabwe EDF 8 other												
	Zimbabwe EDF 8 total	4,153,000.00	3,799,073.63	2,496,881.81	4,153,000.00	3,149,502.82	2,603,230.13	4,153,000.00	4,137,962.49	3,151,408.55	4,153,000.00	4,137,962.49	3,663,169.92
Open projects													
8 ACP RAU 003	SADC RFSTP	4,153,000.00	3,799,073.63	2,496,881.81	4,153,000.00	3,149,502.82	2,603,230.13	4,153,000.00	4,137,962.49	3,151,408.55	4,153,000.00	4,137,962.49	3,663,169.92

8.2.8. Financial Situation for 9th EDF, Regional Projects

Table 8.8 –EDF primary commitments, delegated appropriations and payments in € - totals and main projects

Project no.	Project name	31.12.2001			31.12.2002			31.12.2003			31.12.2004		
		Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments	Primary commitments	Delegated appropriations	Payments
Totals	Zimbabwe EDF 9 RIP										830,600.00	830,600.00	415,300.00
	Zimbabwe EDF 9 other												
	Zimbabwe EDF 9 total										830,600.00	830,600.00	415,300.00
Open projects													
9 ACP SAD 003	SADC RFSTP										830,600.00	830,600.00	415,300.00

8.2.9. Budget Line Projects Portfolio

Project Title	Contracting Party
Preventing the use of Violence and Torture Practices among youth in Zimbabwe	Comitato Di Coordinamento Della Organizzazioni Per Il Servizio Volontario (COSV)
Legal Advisory Unit in the Office of the UN Resident Co-ordinator in Zimbabwe	United Nations Development Programme (UNDP)
Zimbabwe Local Democracy Enhancement Project	Commonwealth Local Government Forum (CLGF) / Urban Councils Association of Zimbabwe (UCAZ)
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
Block Grant	ESSOR
Hwange Agenda Public Debate Series	Bulawayo Agenda Trust
Improving NGO Corporate Governance in Zimbabwe	National Association of Non Governmental Organisations (NANGO)
Building the Capacity of Civil Society and Promoting Regional Coalition-Building to Enhance Respect for Human Rights in Zimbabwe	Human Rights Trust of Southern Africa (SAHRIT)
Ethnic Minority Rights Programme	Silveira House
Capacity Building for Electronic and Print Journalists with Specific Emphasis on investigative Reporting of Corruption and related Issues.	Transparency International Zimbabwe (TIZ)
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

8.2.10. SASP Utilisation 2004

NAO SUPPORT PROGRAMME

INCOME AND EXPENDITURE ACCOUNT For the year ended 31 December 2004

2004

INCOME

RBZ opening Balance:01 January 2004	310,125,757.16
Bankers Acceptance Investment	115,753,424.66
CBZ opening Balance:01 January 2004	78,277,395.82
Interest received CBZ:	165,534,843.85
Interest received RBZ:	47,043,202.79
	<u>716,734,624.28</u>

EXPENDITURE

NPO Fees and other expenses	388,052,937.80
Vehicle maintenance and running costs	74,626,600.40
Office Equipment	21,107,100.00
Office running Expenses	47,636,859.44
Mission Expenses	25,561,186.75
Training/Workshops and other expenses	31,016,020.00
Bank Charges	562,548.63
Advertising Costs	0.00
Communication	644,862.50
	<u>589,208,115.52</u>
DEFICIT/SURPLUS FOR THE YEAR	<u>127,526,508.76</u>

8.2.11. Project Profile: Zimbabwe Decentralised Co-operation Programme

Unit: AIDCO/C/5

Delegation Project Manager: Ms. L. Kalenga

Delegation Counsellor: Ms. C. O'Brien

1. Project Title: Zimbabwe Decentralised Co-operation Programme (ZDCP)
2. Project Number: 8 ACP ZIM 011
3. Source of Funding: 8th EDF
4. Previous Funding: Nil
5. Basic Administrative Data:

Type of project	Decentralised co-operation
Country	Zimbabwe
Financing agreement number	6113/ZIM
Signature of the FA	09.04.1999
Start date	30.09.1999
Implementation deadline	31.08.2004
Operational duration	4 years
Convention budget	
➤ Total	7,250,000.00
➤ EU 8 th EDF	6,000,000.00
➤ EU 9 th EDF	
➤ National counterpart	1,250,000.00

6. Implementing Agency: ZDCP TFU / NAO
7. Project Management: ZDCP
46 Lawson Avenue
Milton Park
P O Box A 1782, Avondale, Harare
Tel. +263-4-252027 / 9
Fax. +263-4-251811
8. Technical Assistance:
9. External Auditors: KPMG
10. Contact Person: Mrs. Bettina Edziwa
Acting National Co-ordinator
Email: bedziwa@zdcop.org

11. Project description

- Project purpose
 - The purpose is to sustainably improve both the livelihoods of poor and disadvantaged rural and urban communities and the capacities of non state actors in service delivery, policy research and advocacy.
- Expected Results
 - The planned results of the Programme are as follows:
 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, education and health with full regard to gender, HIV/AIDS and environmental considerations.
3. Organisational development of NSA Forum and the TFU.
4. Regional and national NSA capacities for policy research and advocacy with special emphasis on issues expressed by participating communities and their representative structures (NSAFS) 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.

8.2.12. Project Profile: Education Transition and Reform Programme (ETRP)

Unit: AIDCO/C/5

Project Task Manager: Mr. S. Takawira

Delegation Counsellor: Mr. Marc De Bruycker

1. Project Title: Education Transition and Reform Programme (ETRP)
2. Project Number: 8 ACP.ZIM 013
3. Source of Funding: 8th EDF
4. Previous Funding: Nil
5. Basic Administrative Data:

Type of project	Education
Country	Zimbabwe
EDF Identification Number	ZIM/7009/000
Financing agreement number	6231/ZIM
Signature of the Financing Agreement	08.04.2000
Start date	01.01.2000
Implementation deadline	31.12.2006
Operational duration	4 years + 3 years extension
Convention budget	
➤ Total	11,400,000.00
➤ EU	11,400,000.00
➤ National counterpart	
Current financial situation:10.06.04	
- Primary Commitment	11,400,000.00
- Contracts	4,736,100.71
- Payments	2,423,577.83
- RAL	2,312,522.88

6. Implementing Agency: Ministry of Education, Sport and Culture
7. Project Management: MOESC/ETRP Management Team
8. Technical Assistance: N/A
9. External Auditors: KPMG
Mutual Gardens, 100 the Chase (West) Emerald Hill,
Harare Zimbabwe.
10. Location: Ministry of Education, Sport and Culture
Education Service Centre, 62 Upper East Road.
Mount Pleasant, Harare.
Tel. 263-4-336837
Fax. 263-4-336809
11. Contact Persons: Mr. T. Mabuto - Management Team chairperson
708980/ 023 412 904
Mr. Philip Sithole - Project Co-ordinator.
336869/ 011860 074

12. Project Description:

Project Objective:

- The overall objective of the programme is to contribute to a more equitable, efficient and sustainable education system in Zimbabwe.

Project Purpose:

- The project's purpose is to improve access and learning outcomes of poor children, particularly girls, in primary and secondary schools in eight districts: Beitbridge, Binga, Bindura Rural, Buhera, Chegutu Rural, Chirumanzu, Mudzi and Mwenezi.

Intended Results:

1. Institutional Capacity Building at district and school levels

- Improved system for financial management, planning, budgeting and policy analysis at district and school levels.
- Improved system for assessing learning outcomes and monitoring impacts.
- Improved asset management skills in order to increase the resource/asset base at school level.

2. School Improvement Grants (in the districts of Binga, Buhera, Mudzi and Mwenezi)

- Increased participation of disadvantaged children in primary and a lower dropout rate for girls in the transition to secondary will be achieved. It is estimated that enrolment will increase by 15% over the life of the program in pilot districts, mainly through increased access of orphans and very poor children and retention of girls.
- Disadvantaged families will face a lower financial burden due to the capping of school levies, which should be reduced each year in real terms by the annual inflation rate during the life of the program. The share of total recurrent costs borne by families in these districts should drop from 44.5% to 7.5%, while total resources available for non-salary recurrent costs at schools increases by over 60% compared to 2000 levels.
- Children in targeted primary schools will improve learning outcomes. It is expected that these children will perform better than control schools at national examinations.

3. Support to disadvantaged children (in the districts of BeitBridge, Bindura Rural, Chegutu Rural and Chirumanzu):

- Increased participation of targeted disadvantaged children (disabled, orphans and disadvantaged but academically able children) especially girls, in primary and secondary education will be achieved. It is expected that around 48,800 children, disabled children and orphans will benefit annually from financial support under the form of vouchers to pay the levies in primary school. An additional estimated 8,800 disabled, orphans and disadvantaged but academically able children, 70% of whom will be girls, will receive scholarships to pay fees at secondary school.
- Transition rates from primary to secondary education for targeted girls will increase. It is expected that 80% of targeted girls will complete transition to secondary school.
- The system for targeting support to disadvantaged children will be validated. It is estimated that there will be an 80% improvement in rating (by families, communities and Government officials) of this pilot system relative to the system applied by the Social Development Fund, and 40% increase by disadvantaged children as compared to control schools.

8.2.13. Project Profile: Health Sector Support Programme I

Unit: AIDCO/C/5 Head of Social Sectors: Dr Marc De-Bruycker
Task Manager: Mr Calisto Chihera
Programme Manager: Mrs Patricia Darikwa

1. Project Title: Health Sector Support Programme I
2. Project Number: 8.ACP.ZIM .010
3. Source of Funding: 8th EDF
4. Concurrent Funding: € 24,5 million (8.ACP.ZIM.010)
5. Basic Administrative Data:

Type of project	Health
Country	ZIMBABWE
Financing agreement number	6112/ZIM - Rev 1 and Rider of 2003
Signature of the FA	4 May 2000, Rider June 2003
Start date	01.October 2000
Implementation deadline	30 September 2006
Operational duration	6 years
Convention budget	
➤ Total	24,500,000.00
➤ EU	24,500,000.00
Current financial situation (14.01.05)	
- Primary Commitment	24,500,000.00
- Committed	16,877,891.62
Available Uncommitted	7,622,108.38
- Paid	8,282,568.44
- Committed Unpaid	8,595,323.18
Unpaid Project Balance	16, 217,431.56

6. **Implementing Agency:** Ministry of Health and Child Welfare
7. **Project Management:** Health Sector Support Programme
Ministry of Health and Child Welfare
3rd Floor Kaguvi Building
Corner Central Avenue and Fourth Street, Harare
8. **Technical Assistance:** GTZ, Germany
9. **External Auditors:** PriceWaterHouseCoopers
10. **Location:** Ministry of Health and Child Welfare
3rd Floor Kaguvi Building
Corner Central Avenue and Fourth Street, Harare
Tel. 263-4-790769
Fax. 263-4-734794

11. Contact Person: Mrs P. Darikwa, Programme Manager
Mrs M. Sibanda, Finance Director Ministry of Health and Child Welfare

12. Project description and Implementation Status:

Programme Objective: To promote social justice through improved quality of life amongst the most vulnerable by developing a sustainable and efficient health system.

Programme purpose: To support people's increased access to affordable quality health services and in particular district health services.

Expected results:	Results to date: January 2004
A Support for procurement of essential drugs, medical supplies and other commodities	
A 1. Essential drugs and medical supplies (including contraceptives, vaccines and laboratory supplies) available at national and health facility level	Essential drugs, vaccines, vehicles and test kits at value € 15 million under procurement. Drugs count for 11 million. . - EC drugs available at all levels.
A 2. Spare parts for essential equipment at hospitals and other health facilities available at national and health facility level	Hospital equipment spare parts assessment done and the tender for the procurement of the spare parts valued at € 1.95 million has been launched.
B Support to decentralisation	
B 1. Government of Zimbabwe budget allocation to the Health Services Fund (HSF)	Amount agreed between GoZ and EC of ZWD 10 billion was disbursed by the Ministry of Finance and Economic Development to Ministry of Health and Child Welfare and allocated and distributed into HSF. In 2004
B 2. Improved district management of funds including the Health Services Fund at district and provincial level	More trainers developed to enhance the provision of internal support in procurement, accounting, costing and financial management. Job descriptions developed for accountants and accounting assistants.
B 3. Develop and produce accounting, planning and expenditure procedures of the HSF.	Guidelines Produced and distributed. The HSF Manual is being routinely used.
B 4. Strengthen the monitoring of the health sector performance	Currently working on Bench Mark reports for in 2002 and 2003.

- 11. Contact Person:** Mrs P. Darikwa, Programme Manager
Mrs M. Sibanda, Finance Director Ministry of Health and Child Welfare
Mr C. Kumire Managing Director National Pharmaceutical Company of Zimbabwe (NatPharm)
Mr. Chitsva, Acting Chief Executive officer, National Blood Transfusion Service (NBTS)

12. Project description and Implementation Status

Programme Objective: To reduce the incidence and alleviate the impact of HIV/AIDS and other priority diseases in Zimbabwe.

Programme purpose: 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.

Expected results:	Results to date: January 2005
1. Essential drugs and medical supplies available at national and health facility level	Procured essential drugs at value € 10 million. Total drug need in Zimbabwe is estimated € 25 million per year. - EC drugs available at all levels.
2. Monitoring and audit of drug management and supply system operational system to support a food security training market	- Monitoring Audits in May and October 2004. Drugs had reached the intended beneficiaries. - Variation between EC drugs delivered and accounted for store level 100% (target 90%).
3. Improved logistics (storage and distribution) system for NatPharm	- Lead time 34 days (target 30 days) - Registered quantity corresponding to physical stock. 55% for Harare / 100% for Bulawayo / 92% for Gweru (target 90%) - Procurement, logistics and accounting system (Navision) under instalment
4. Improved management of sexually transmitted infections	Training on STI Management held
5. Re-capitalisation of NBTS	100% of the items procured for NBTS have now been received by the centre and are being used
6. Reduction in dependence on foreign currency for the duration of the project	- Shortage of imported supplies increasing as NBTS has no access to foreign currency. - EC and DFID support procurement in 2005
7. Human resource development at NatPharm and NBTS	- No additional medical staff appointed to NBTS yet - Contract for TA in Financial Management in operation
8. Improved plans for attracting repeat donors to support safe blood	- Plan for new donor collection sites in place. No funds for implementation
9. Enhance sectoral and intersectoral capacity to plan and implement effective responses to HIV/AIDS	- Funded support National AIDS conference held in June 2004

8.2.15. Project Profile: SADC Regional Food Security Training Programme

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: 8th EDF/ 9th EDF
4. Previous Funding: €5.5 million (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 th EDF	4,153,000.00
➤ EU 9 th EDF	830,600.00
➤ National counterpart	1,059,000.00

6. Implementing Agency: SADC RFSTP Regional Training Unit
7. Project Management: SADC RFSTP Regional Training Unit
6 Cork Road, Belgravia, Cnr Samuel Munjoma/
Cork Road, Harare.
P O Box 270, Causeway, Harare, Zimbabwe
Tel. +263-4-792411/792348/50/70 Tel. +263-4-792408
8. Technical Assistance: Agriconsulting S.p.A., Italy up to May 2004.
9. External Auditors: PriceWaterhouseCoopers
10. Contact Person: Mr Edward Chisala, Email: echisala@sadcfanr.org
Programme Director

Mr Clipa Sylvano, Email: csylvano@sadcfanr.org
Operations Manager

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 2nd 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 progressing quite well.
- A mid term evaluation was done in 2002.
- A 20 percent rider to the financing agreement budget approved in 2004.

14. Problems and envisaged solutions

Problem	Envisaged Solution
1. SADC region experiencing high incidences of HIV/AIDS and droughts.	1. Mid term review has recommended that the programme should be flexible enough to accommodate the contemporary issues affecting food security in the SADC region.
2. Programme has failed to raise €1.87 million through sponsorship.	2. Programme need to develop an innovative marketing strategy that is capable of attracting sponsorship from the corporate world.
3. Project's future threatened by lack of 9 th EDF funding.	3. Project needs to look for alternative funding after the expiry of the current financing agreement on 31 December 2005

15. Audits Findings/ Monitoring Findings/ Evaluation Findings

- Sustainability has been identified by the Monitors as the major challenge for the programme beyond 31 December 2005.

16. Planned follow-up activities to Audits/Monitoring/Evaluation findings

- NAO/Delegation to develop an enhanced monitoring and supervision framework for the project
- NAO/Delegation to conduct routine systems compliance checks on the project.

17. Upcoming Events or Activities

- A Regional Advisory Committee meeting is planned for late March 2005.

Updated: Tuesday, 01 March 2005

8.2.16. Project Profile: Faculty of Veterinary Science

Unit: AIDCO/C/5

Project Manager/Coordinator: Mr Lighton Dube

Delegation Counsellor: Mr A. Tillessen

1. Project Title: Faculty of Veterinary Science
2. Project Number: 7.ACP.ZIM.039 (+RPR.306)
3. Source of Funding: 7th EDF
4. Previous Funding: Lome II under NIP for €7.5 million and RIP for €5 million
5. Basic Administrative Data:

Type of project	Education
Country	Zimbabwe & SADC Member states
Financing agreement number	5335/ZIM
Signature of the FA	04.08.1994
Start date	1994
Implementation deadline	31.12.2005
Operational duration	9 years
Convention budget	
➤ Total	11,987,600.00
➤ EU	9,100,000.00
➤ National counterpart	2,887,600.00
Current financial situation (31.12.03)	
- Primary Commitment	9,100,000.00
- Contracts	7,947,845.85
- Payments	7,700,530.07
- RAL	1,399,469.93

6. Implementing Agency: Faculty of Veterinary Science, UZ
7. Project Management: Faculty of Veterinary Science
University of Zimbabwe, P O Box MP 167
Mt Pleasant, Harare
8. Technical Assistance: None
9. External Auditors: Ernst & Young
10. Location: University of Zimbabwe, Mt Pleasant, Harare
Tel. 263-4-303211
Fax. 263-4-333681
11. Contact Person: Dr S. Mukaratirwa, Dean, FVS
12. Project description
 - Project purpose
 - The purpose of the project is to strengthen manpower of the Faculty of Veterinary Science and of public and private veterinary services.
 - Expected Results
 - Improved quality of approximately 90 trained BVSc students leaving the faculty between 1999 and 2005.
 - 4 technicians trained.
 - 16 students participated in exchange programmes.
 - 16 MVSc students trained as part of the staff development programme.

- 20 staff development fellowships granted, so that by year 2000 the current vacancies are filled.
 - Research and teaching in new fields started (clinical department, immunology, oncology, tick borne diseases, veterinary toxicology).
 - 20 relevant multidisciplinary research programmes initiated and 5 recommendations of economic importance disseminated at the end of the project.
 - 30 BVSc students from other SADC countries trained by 2005.
 - Organization of research management strengthened.
- The envisaged activities to deliver the above-mentioned results can be summarised as follows:
 1. Technical assistance in the fields of teaching and research.
 2. Establishment of a staff development programme.
 3. Logistic support for administration and coordination.
 4. Provision of vehicles for practical clinical training and research.
 5. Construction of research facilities, laboratories, offices and seminar room.
 6. Provision of scholarships for nationals of other SADC member states.

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

- Government of Zimbabwe and University of Zimbabwe agree to allocate one third of the student places on the BVSc course to students from other SADC countries.

14. Summary of implementation Status

- Project progressing quite well despite the poor macroeconomic environment that is affecting the country.
- A mid term evaluation was done in 1997 and a final evaluation is to be launched during the middle of 2004.

15. Problems and envisaged solutions

Problem	Envisaged Solution
1. Low pass rate for non Zimbabwean SADC students.	1. FVS agreed to offer extra lessons and special tutorials to these students
2. Lecturers resigning as a result of the general poor macroeconomic environment.	2. The problem can only be arrested if the macroeconomic environment improves.
3. Low levels of funding by the GOZ	3. FVS has to come up with a sustainable and credible income generation programme.

16. Audits Findings/ Monitoring Findings/ Evaluation Findings

17. Planned follow-up activities to Audits/Monitoring/Evaluation findings

18. Upcoming Events or Activities

- Work towards the final evaluation is expected to commence during the first half of 2005.
- Final audits for the SADC Scholarship programme being finalised by the auditors.

Updated: Tuesday, 01 March 2005

8.3. Thematic Annexes

8.3.1. Country Environment Profile

Resources

Area of the country:	390,759 km ²
Land Area:	386,670 km ²
Ecological zones:	Eastern Highlands, highveld, middleveld, lowveld
Water (1987)	
Surface water:	18,000 Mm ³
Groundwater:	5,000 Mm ³
Major soils:	Ferralitic, ferruginous, vertisols and hydromorphic
Non-renewable reserves:	Gold, asbestos, nickel, iron ore, bauxite, platinum

Agriculture

Main food crops:	Maize, wheat, sorghum, millet
Main cash crops:	Cotton, tobacco, sugar
Livestock:	Cattle, sheep and goats

Industry and Energy

Main industries:	Mining, steel, clothing and footwear, chemicals, foodstuffs, fertilizers, beverages, wood products
Energy:	Wood, coal, liquid fuels and hydropower

Major Environmental Problems

Environmental problems:	Recurring droughts, deforestation, fuel wood shortage, soil erosion, wildlife destruction, air and water pollution
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Impact of Macroeconomic Difficulties on Environment

- 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 the following environmental problems as the population tries to cope with the unfavourable macro-economic environment:

A shift in energy use-source balance to wood by both urban and rural poor as conventional fuel prices have gone beyond their reach, thus exacerbating the deforestation problem and reducing carbon dioxide sinking;

Serious gold panning leading to land degradation and land pollution from mercury cyanide. The study estimates that 6 tonnes of mercury is used by panners annually, of which half is lost during the amalgamation process;

Former workers at commercial farms have turned to consumptive natural resource-based livelihoods to obtain food and cash for their survival. Strategies involve woodcutting, thatch harvesting, collection of wild fruits and nuts, fishing, wildlife poaching, gold mining, and harvesting of insects (e.g. mopane worms). All of these could be viable livelihood approaches if carried out in a regulated environment. However, in the Zimbabwe of today there are few checks and

balances and no incentives to harvest in a sustainable manner. Many of the regulatory institutions (Local Government etc.) face severe resource gaps.

Subsistence crop agriculture, the ultimate safety net for food security, is expanding into lowveld areas unsuited to crop production, urban areas (including riparian zones) and into national parks. With a few exceptions, soils are being mined of their nutrients, and are not being supplemented with fertilizers, mulch or manure, or protected by appropriate tillage practices;

Informal activities are on the increase resulting in unsafe water disposal.

Tourism

Foreign tourism receipts declined by 60% between 1999 and 2001. Non-consumptive natural resources-based activities – notably eco-tourism – have suffered heavily as the international image of Zimbabwe worsens and tourists choose other countries to visit. This affects community-based tourism and upscale tourism alike. Many of the sites developed under the CAMPFIRE program have temporarily closed due to lack of clients. Five star hotels are operating at well below capacity.

Impacts of Land Reform on Wildlife Resources

- Destruction and fragmentation of wildlife habitats through land clearing for agricultural purposes and encroachment into wildlife protected areas, including conservancies;
- Wildlife surveys traditionally carried out in Zimbabwe each year have lapsed therefore the current levels of wildlife are not known;
- There is an estimated 60-70% loss of wildlife resources on private land that has been encroached upon during the land reforms;
- Increase in poaching activities, and stories of “hunting” by expatriate clients led by unorthodox “safari” operators abound;
- An estimated loss of about 50 black rhinos (10% of the national herd) was reported in the Save-Limpopo Lowveld between 2000 and 2002;
- In the Matetsi area of Matabeleland North, estimates suggest declines in wildlife of up to 90% between 2000 and 2002; in the Gwayi area, wildlife declines of 30-50% were estimated during the same period;
- In the Zambezi Valley there has been a disruption of critical corridors for large mammals such as elephants, due to population influx resulting from the land reforms;
- Destruction of Foot and Mouth Disease fences has seen interaction between infected buffalo and cattle due to unrestricted movements, resulting in the current FMD crisis.

Air Pollution

Air pollution was found to be 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.

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.

Environmental Policy, Legislative and Institutional Framework

The Government has environmental policies, but faces difficulties in implementing them with existing resources. Zimbabwe has ratified the main international conventions, with Government seeing the UN Convention to Combat Desertification (UNCCD) as particularly important. It has developed impact assessment legislation, a National Environmental Action Plan (NEAP), and a Biodiversity Strategy Action Plan. Priorities for future environmental action should include the updating and implementation of the NEAP, the protection of tourism sites and the integration of environmental concerns into policies addressing land-use, such as the National Water Policy, land tenure policy and mining policy.

Note that this *Country Environment Profile* is subject to an update in the near future.

8.3.2. Millennium Development Goals Performance

Table 8.9 – Millennium Development Goal Indicators

			Actual				Projection			Target	
	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2015
1. Proportion of population below \$1 (1993 PPP) per day (%)	33.0	56.0				70.0 ²					16.5
2. Prevalence of underweight children under five years of age (%)	11.5	15.5	13.0 ¹	13.0	20.4 ³	17.2 ³					5.8
3. Under-five mortality rate (‰)	80.0	90.0	117.0		123.0	126.0					26.7
4. Net enrolment ratio in primary education (%)	85.7		80.6	82.7							100.0
5. Proportion of pupils starting grade 1, who reach grade 5 (%)	92.4	78.6	76.7	73.2 ³	69.5 ³	67.3 ³	67.6 ³				100.0
6. Ratio of girls to boys in											
- primary education (%)	99.0		97.0	97.0	98.0 ³	98.0 ³	98.3 ⁰	98.0 ³	98.0 ³	98.0 ³	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 (%)	69.6	69.2	73.0 ¹	72.5		73.0					-
8. Proportion of 1 year-old children immunized against measles (%)	87.0	87.0	70.0	68.0	58.0	80.0					-
9. HIV prevalence among pregnant women aged 15-24 years (%)				33.0							-
10. Proportion of population with sustainable access to an improved water source (%)	77.0			83.0	83.5 ³	85.0 ³	87.0 ³				88.5

Notes: 1: Observation refers to 1999. 2: National poverty line: National household survey estimate. 3: GoZ
Sources: Unless otherwise indicated, <http://millenniumindicators.un.org/> and <http://www.developmentgoals.org/>

Developments in the core set of 10 key Millennium Development Goals (MDGs) indicators identified by the Commission are shown for Zimbabwe in Table 8.9 above. Most indicators, for which sufficient observations are available, show declining or unchanging trends. Given the economic decline over the past five years, such development is not surprising, however unfortunate. For example, the proportion of the population living below the poverty line has increased from 33% in 1990 – significantly better than the sub-Saharan Africa average - to 70% in 2003 – significantly worse than the SSA average. The target of halving the 1990 figure by half in 2015 thus looks increasingly unrealistic. The same goes for underweight children, where the prevalence has increased from 11.5% to 17.2%, as well as for the under-five mortality rate, which has increase from 80‰ to 126‰, over the same period.

For birth attendance and measles immunisations there has not been much progress (nor deterioration) since 1990, though measles immunisations appear to have recovered from a recent slump.

The net primary enrolment percentage seems to hover around the lower 80's. However, the primary completion rate has deteriorated sharply from 92% in 1990 to only 67.6% in 2003. Further, a continuation of the economic decline is likely to have a negative impact both these two education indicators and poses a real long-term threat to development in the country.

The gender balance in primary education is almost even, and has been since at least 1990. For secondary education, the ratio of girls to boys is stagnant at the relatively high level of 89%. The 2015 goal of 100% is thus within reasonably reach for both indicators. However, at the tertiary level of education, the ratio is less than 60%, and the target will only be met with serious efforts to improve the gender balance.

The only observation of the HIV prevalence among pregnant women aged 15-24 years is at a staggering 33%. This is much worse than the SSA average of 9.4% and only goes to show the seriousness of the challenges Zimbabwe faces in light of the HIV and AIDS pandemic.

The only success story amongst the 10 core indicators is the proportion of population with access to an improved water source. From 77% in 1990 to 87% in 2004, the 2015 target of 88.5% is within reach in a few years.

Generally speaking, however, the somewhat bleak picture of developments in these 10 core MDG indicators, shows how deep the Zimbabwean crisis is, and calls for targeted efforts to perform better on – if not reach – the MDGs by 2015.

SIGNED:

WILLARD MANUNGO
National Authorising Officer

XAVIER MARCHAL
Head of Delegation

(Signed 11/01/06)

(Signed)

Date: _____

Date: _____