United Nations Development Programme
Zimbabwe
ECONOMIC GOVERNANCE PROJECT

END OF PROJECT REPORT

Revised April 2024

Reporting Period:	April 2023 – September 30, 2024)

Development Partners:	Donor(s): UNDP Ministry of Finance Economic Development and Investment Promotion, Ministry of Women Affairs, Community, Small and Medium Enterprise Development, ZNCC, CZI
Project Numbers & Title:	**UNDP Reference** 1115049 01000524: Economic Governance **Donor Reference** 040000

Project Objective/impact	Strengthen and enhance the capacities of cross-sectoral stakeholders for growth and effective contribution to the fiscus.
UNDP CPD outcome	By 2026, all people in Zimbabwe, especially the most vulnerable and marginalised, benefit from more inclusive and sustainable economic growth with decent employment opportunities.
UNDP Strategic Plan RRF outcome	National and sub-national systems and institutions enabled to achieve structural transformation of productive capacities that are sustainable and employment - and livelihoods- intensive
UNDP Strategic Plan RRF output	Capacities of key institutions enabled to design and implement gender-responsive and evidence-based policies, strategies, and programmes for sustainable and equitable economic development.

Project Budget (US$)	Total Project expenses (US$)	Annual Budget (US$)	Delivery Rate (% of total budget)
560,000	**560,000**	**2023: 350,000** **2024: 210,000**	**100%**

Financial Status as of Day Month Year

Total Contributions:			
	Commitments	Deposits	USD Equivalent
Trac 1& 2			
Donor 1			
Donor 2…			
		Total funds received:	**$560,000**
Total Expenditures:			
		Expenditure April 2023 – Sept 2024	(560,000)
		Total expenditures:	**$(560,000)**
		Closing or Provisional Balance:	**$0.00**

1. Executive Summary (450 words)

The country's lingering economic and political challenges create a need for urgent support to accelerate the pace of development through a holistic set of economic governance initiatives which will help strengthen both the fiscus and the economy to position the country for growth and recovery which will, in turn, facilitate debt resolution. This project therefore sought to enhance the capacities of cross-sectoral stakeholders for growth and effective contribution to the fiscus.

Through the Economic Governance project activities with a national scope were implemented resulting in improved domestic resource mobilisation, fiscal and aid transparency, sustainable business growth, and the strengthening of existing structures for the management of development funds.

Specifically, the project strengthened the capacity of Ministry of Finance Economic Development and Investment Promotion in effectively executing their aid coordination mandate as well as the Ministry of Public Service Labour and Social Welfare for efficient coordination of the 2030 Agenda for Sustainable Development. Furthermore, the project achieved the following results: -

- The project was effective in laying a strong foundation for greater private sector engagement as well as support for Domestic Resource Mobilisation including through the historic Debt Dialogue Platform.
- The project worked with both the Confederation of Zimbabwe Industries (CZI) and the Zimbabwe National Chamber of Commerce (ZNCC) to raise SDG awareness, as well as to start work towards the development of SDG Impact Frameworks for businesses as a means of helping business to identify, articulate and measure their contribution to the SDGs and make more informed decisions about their contribution. The country office partnered with more than 90 private sector organizations under the Confederation of Zimbabwe Industries and the Zimbabwe National Chamber of Commerce, in pursuit of private sector engagement in the SDGs. Through this partnership, the CO successfully advanced its private sector

engagement efforts and helped capacitate the private sector on SDGs and accessing markets within the AFCFTA. This has helped build a strong foundation for the $1 trillion Moonshot and SDG financing opportunities for the country. This was achieved by rolling out the 2023 instalment of Accelerate 2030 which seeks to engage SDG-aligned growth stage companies to help them scale their businesses for greater SDG Impact. As a result, 10 growth stage companies were capacitated for SDGs thus improving progress towards capacitating the private sector for SDG implementation.

- The project facilitated the updating of the national SDG matrix on an annual basis as part of the country's SDG M&E activities and UNDP within the UNCT was the penholder and technical lead in the compilation of the national 2023 SDG report and will continue taking the lead in this capacity.
- Through the project UNDP jointly capacitated local authorities to produce Voluntary Local Reviews, as part of the country's SDG domestication and localization efforts. This was conducted jointly with RCO, UNECA and UNDESA. Furthermore, the project supported Government production of the Voluntary National Review report and participation in the High-Level Political Forum (HLPF) to facilitate South- South Cooperation and practice sharing on SDG implementation.

Overall, full potential of the project impact has been affected by a challenging macroeconomic environment (exchange rate volatility and price instability) which still exists, with weak growth prospects because of the el-nino induced drought. During implementation it was noted that domestic resource mobilization remains key in the Zimbabwean context and the prevailing macroeconomic environment, particularly in relation to informality and taxation. In addition, articulation of the business case for SDGs helps increase the effectiveness of private understanding and contribution towards SDGs.

2. Background (maximum 1/2 page)

The Zimbabwean economy registered 5.3% growth in 2023 representing a second consecutive year of slowdown from 6.5% in 2022 and 8.5% in 2021. Previously forecast at 3.5%, GDP growth for 2024 was revised down to 2% due to the impact of the El Nino over the 2023/24 agricultural season. The heavy toll that El Niño has had on the country, with over 6 million people currently food insecure, serves to illustrate the hugely damaging effects that extreme climatic events continue to have on livelihoods and the economy at large. Meanwhile, exchange rate distortions, partly driven by the 2024 introduction of a new local currency, the Zimbabwe Gold (ZiG) and the resultant pressure on inflation, have continued to reduce disposable income while negatively impacting the doing-business environment and reinforcing the negative country perception that Zimbabwe has as an investment destination.

The informal sector continues to thrive as the unemployed go into entrepreneurship for survivalist purposes. Despite the challenges, the private sector has remained resilient and is increasingly adopting Sustainability and ESG in corporate strategies in pursuit of sustainable development and response to the mandatory ESG reporting requirements which have been imposed by the Zimbabwe Stock Exchange (ZSE) in 2024.

Sluggish growth and fiscal constraints continue to compound both domestic and foreign debt (at $3.5b and $14b respectively of which 77% is in arrears) which exerts pressure on financing for development and public service delivery. In response, the Government continues its drive towards engagement and re-engagement of the international community, including through the Structured Debt Platform which the CO continues to support.

All these factors combined, continue to drive poverty while threatening the resilience of individuals and communities, making economic activity difficult, particularly for women and young people who, at 52% and 72% of the population respectively, continue to be at risk of being left behind in development gains.

In pursuit of the national Vision 2030 (to become an empowered Upper Middle-Income Country by 2030), the National Development Strategy (NDS1) envisages an economic growth stimulus which is premised on sound fiscal management, along with sustainable private sector growth, among other provisions. This project supported domestic resource mobilisation efforts and economic actors (mainly private sector) were supported to play their part in terms of contribution to the fiscus, including through trade.

The project consisted of three mutually reinforcing pillars, the sum of which supported strengthening of aid and fiscal management, while ensuring that the efforts of stakeholders feed into inclusive economic growth along the road to 2030. Overall, the proposed project embodied the Strategic Offer's ambition to "… support African countries and peoples, not only to take ownership of their development agenda, but also to more effectively manage old and new partnerships towards optimal utilization of available resources to abolish poverty in all its forms and dimensions.

3. Achievements

Progress towards Development Results[1]

Populate the table below and add narrative to compliment the tables based on the guidance provided below

Section 1: Overall progress against the CPD outcome *(which the project falls under)*

Populate the table below and **add narrative per indicator,** to compliment the tables based on the guidance provided below

CPD Outcome 2: By 2026, all people in Zimbabwe, especially the most vulnerable and marginalised, benefit from more inclusive and sustainable economic growth with decent employment opportunities.

Summary achievements based on CPD Outcome <add outcome number(s)> targets for 2024

CPD Outcome Indicator	**Actual Value of the Indicator as of the time of Reporting**	**Status** *On-track, Off-track, Achieved, Partially Achieved, Not Achieved*
		Achieved
Overall		**Achieved**

Section 2: Progress against CPD Outputs *(Refer to the CPD)*

Guidance: After populating the tables, the narrative provided should complement the tables.

CPD Output 3.1: Capacities of key institutions enabled to design and implement gender-responsive and evidence-based policies, strategies and programmes for sustainable and equitable economic development

Summary achievement based on CPD output targets for 2022 - 2026

CPD Output Indicator 2022-2026	**Actual Value of the Indicator as of the time of Reporting**	**Status** *On-track, Off-track, Achieved, Partially Achieved, Not Achieved*
3.1.2. Number of national and subnational institutions capacitated to implement Sustainable and Equitable Economic Development (SEED) policies.	3 (Ministry of Finance Economic Development and Investment Promotion, Ministry of Public Service and Social Welfare and Ministry of Women Affairs Gender Small and Medium Enterprise Development	Achieved
	Overall status	**Achieved**

Section 3: Progress against Project Outputs *(Derived from the ProDoc)*

Guidance: After populating the tables, the narrative provided should complement the tables.

CPD output 3.1: Capacities of key institutions enabled to design and implement gender-responsive and evidence-based policies, strategies and programmes for sustainable and equitable economic development

Summary achievement based on CPD output targets for 2024

Project Output Indicator	**Actual Value of the Indicator as of the time of Reporting**	**Status** *On-track, Off-track, Achieved, Partially Achieved, Not Achieved*
1.1 : Number of private-public sector engagements towards addressing obstacles to an efficient tax and business operating environment .	The project facilitated regular public -private sector engagements towards addressing obstacles to an efficient tax and business operating environment through dialogues and feedback sessions.	Achieved
1.2 Number of users (Government and institutional users) trained in use of DevPromis Policing mechanism functional	25 Ministry of Finance Economic Development and Investment Promotion officials were trained on Data analysis and report builder for the Development Projects Management Information System (DEVPROMIS) from 11- 15 December 2023.	Partially achieved
1.3 Number of Sector Working Groups (SWGs) operationalised.	3 (Economic, Lands and Governance SWGs)	Achieved
1.4 Number of capacity building initiatives for Development Cooperation and resource mobilisation, including South-South cooperation and participation in development coordination fora	4, that is: - (1) Participation in the 2nd Africa Workshop on Integrated National Financing Frameworks and the immediate result was development of an INFF action plan for the country. (2) Participation in the Second Egypt International Cooperation Forum	Achieved

	which resulted in the development of Common messaging for Africa and preparation for CoP 27 (3) Ministry of Finance Capacity building initiatives (Training on Grants and Loans Negotiation skills). (4) Provision of IT support to MoFED Officers. This resulted in more efficient working by Government Officers, with improved connectivity.	
2.1 Gender-disaggregated SDG matrix updated	SDG matrix updated annually in 2023 and 2024	Achieved
2.2 2023 SDG progress report completed	SDG VRN reported completed and presented during the 2024 High Level Political Forum	Achieved
2.3 Number of SDG integration initiatives conducted for private sector.	The project rolled out of the 2023 instalment of Accelerate 2030 which seeks to engage SDG-aligned growth stage companies to help them scale their businesses for greater SDG Impact. SDG training was conducted for these, as well as one-on-one sessions with each entity to strengthen SDG alignment and lay the foundation for SDG Impact measurement and planning. As a result, 10 growth stage companies were capacitated for SDGs thus improving progress towards capacitating the private sector for SDG implementation. The month of September 2023, also saw the Onboarding of the CZI-UNDP coordinator to facilitate private sector engagement.	Achieved
2.4 Number of SDG initiatives conducted with academia.	Planning activity with the University of Bindura was done in July 2023 and this resulted in planning for youth engagement in SDGs.	Partially achieved
2.5 Number of female and youth entrepreneurs capacitated for business, including the leveraging of trade and investment opportunities provided by AfCFTA.	AfCFTA training for businesses operating at the subnational level in partnership with ZNCC was conducted in September 2023. The training capacitated businesses for engagement with AfCFTA as to help prepare them to access regional markets. The project supported the Africa Continental Free Trade Agreement (AfCFTA) and work started regarding AfCFTA market opportunities study in partnership with CZI. 2 female SME representatives (Eny's	Achieved

	Treats and Mutombo) that participated during the Intra-Africa Trade Fair 2023 were empowered to access the export market. As a result, Eny's Treats managed to have linkages with buyers including a buyer in the pharmaceutical industry based in Mauritius, another from Tajikistan and a couple of importers based in Egypt. In addition, training for 50 Women in Business as a means of contributing to women's economic empowerment and strengthening women owned businesses for growth was also conducted.	
2.6 State of Industry and Commerce survey conducted and disseminated.	UNDP supported ZNCC in the development of the 2 State of Industry and Commerce reports	Achieved
2.7 ZNCC congress supported	The project supported the ZNCC annual Congress and dialogues around the AfCFTA was conducted.	Achieved
3.1 Support for the Zimbabwe Economic Development Conference (ZEDCON)	The project supported the 2 Zimbabwe Economic Development Conference (ZEDCON) which were successfully held in Victoria Falls. Discussions during the conference National Budget formulation process.	Achieved
3.2 Number of research initiatives conducted in support of pro-poor and gender sensitive policy formulation.	2 (Policy briefs were produced following the ZEDCON conferences and the Project supported development and finalisation of a mono-currency study).	Achieved
3.3 NDS mid-term evaluation and dissemination	The project supported the NDS mid-term review, and the Government successfully concluded the review, and the report was produced to guide further policy interventions.	Achieved
	Overall status	**Achieved**

Description

Results against Output 1: Tax and aid transparency enhanced.

1.1 Number of private-public sector engagements towards addressing obstacles to an efficient tax and business operating environment

Baseline: Limited engagement
Target: Regular engagement between Government and private sector regarding tax matters

Taxation and Informality dialogue was conducted in June 2023 resulting in recommendations for engagement of the informal sector for domestic resource mobilization. Furthermore, CSO briefing on debt dialogue was conducted in June 2023 and CSOs were informed to facilitate engagement with the Structured dialogue platform. Accelerate 2030 activities were conducted and Growth-stage private sector companies were capacitated for SDGs. The project also supported the 2023 ZNCC Congress and the private sector was engaged for SDGs and capacitated for AfCFTA.

On the private sector front, the project supported increased participation of women and youth owned MSMEs in regional/ continental markets under the African Continental Free Trade Area (AfCFTA) thus positioning local businesses for growth as they access new and bigger markets. This support aimed to strengthen and enhance the capacities of cross-sectoral stakeholders for growth and effective contribution to the fiscus.

The success of the project is attributable to strong collaboration with Government Ministries and Departments as well as the private sector.

1.2 Number of users (Government and institutional users) trained in use of DevPromis

Baseline: 0
Target: 50 users trained

UNDP has been supporting aid coordination structures and capacities within government especially on the developed of Development Projects Management Information System (DEVPROMIS). DEVPROMIS is now fully functional with all UN Agencies and development partner in Zimbabwe have uploaded their development projects data into the platform for the year 2023. This component of UNDP support was implemented in partnership with the European Union which has provided complementary albeit parallel support and provided hardware components for Aid Information Management System while UNDP provided the software and capacity building.

UNDP focused on building capacities for the utilization of DEVPROMIS which included the design of an Aid Operations Manual based on the system, skills training linked to operating the system, as well as requisite trainings linked to operating the system. This partnership helped to widen the impact of the support by building on Ministry of Finance Economic Development and Investment Promotion's other partnerships. Capacity building support was therefore facilitated on Data Analysis and Report Builder for this system benefitting 25 Focal persons from the Ministry of Finance Economic Development and Investment Promotion. UNDP through the project also continued supporting the Advisor to the Minister of Finance for the purpose of strengthening economic policy in support of the country's development objectives. The technical support provided was in the set-up of the foreign currency auction system which is the country's means of allocating scarce forex resources to industry-this has seen the Auction system influencing monetary policy leading to the pronouncement of policies including policy changes; issuance of a new Statutory Instruments by the Minister of Finance to legalise the use of forex generated domestically in order to facilitate economic activity, among others.

1.3 Number of Sector Working Groups (SWGs) operationalised.

Baseline: 3
Target: 8 SWGs fully operationalised

Zimbabwe's high level of debt and long outstanding areas continues to impede economic growth and development over the years. Total consolidated debt stands at $17.5 billion, with 69% of debt owed to bilateral creditors being arrears, whilst 91% of the debt owed to multilateral creditors represents arrears. In response to these ambitions and as a means of supporting domestic resource mobilization, and debt resolution, along the journey to the removal of decades-long sanctions, UNDP supported Zimbabwe's historic Debt Dialogue process which has, for the first time, brought Zimbabwe together with her creditors to seek resolution to the country's longstanding debt and arrears. It is envisaged that sanctions removal will, in turn, facilitate investment, economic growth and SDG acceleration.

Through this project, support was provided to revamp Sector Working Groups (SWGs) specifically the Economic, Lands and Governance SWG and make them operational in line with the established debt dialogue platform. Planning sessions were conducted with the Economic, Governance and Land reform SWGs, and progress of reforms in each matrix have been monitored. UNDP rendered key technical inputs to the Structured Debt Dialogue process, including co-Chairing of the Lands Sector Working Group (SWG) as a means of facilitating arrears clearance and debt resolution towards stronger and more sustainable economic growth in Zimbabwe. UNDP also actively participated in the Governance Reform Economic Reform and the Economic Sector Working Groups that have been established in line with the Arrears Clearance, Debt Relief and Restructuring Strategy. This project leveraged and complemented Government and creditor interaction in this regard by focusing on the economic growth aspects. The project tackled the complementary requirements for economic growth to facilitate said debt clearance and allow the country to grow and develop in an inclusive manner.

1.4 Number of capacity building initiatives for Development Cooperation and resource mobilisation, including South-South cooperation and participation in development coordination fora

Baseline: 0
Target: 3 initiatives conducted

The project supported the following:

- Participation in the 2nd Africa Workshop on Integrated National Financing Frameworks and the immediate result was development of an INFF action plan for the country.
- Participation in the Second Egypt International Cooperation Forum which resulted in the development of Common messaging for Africa and preparation for CoP 27
- Ministry of Finance Capacity building initiatives (Training on Grants and Loans Negotiation skills).
- Provision of IT support to MoFED Officers. This resulted in more efficient working by Government Officers, with improved connectivity.

The project also supported the establishment of the country's SDG implementation architecture, along with support for SDG integration, monitoring, and evaluation across all sectors, including Government and the private sector.

Results against Output 2: SDG integration conducted, and private sector strengthened for sustainable growth.

2.1 Gender-disaggregated SDG matrix updated

Baseline: 2022 matrix in place
Target: Update SDG matrix

Over the course of the implementation period, the project supported the update of the national SDG matrix as part of the country's SDG M&E activities. UNDP through the project continued to take the technical lead in the review and updating of the Zimbabwe SDG M&E Framework 2019-2025. The project also successfully updated the SDG M&E matrix on an annual basis in 2023 and in 2024, improving the availability of data for SDG progress monitoring in Zimbabwe.

2.2 2023 SDG progress report completed

Baseline: 2021 SDG progress report
Target: 2023 SDG progress report completed

UNDP within the UNCT was the penholder and technical lead in the compilation of the national 2023 SDG report and will continue taking the lead in this capacity. UNDP supported the Integrated SDG Insights report, and this analysis was integrated as part of the updating of the SDG M&E Framework. UNDP jointly capacitated local authorities to produce Voluntary Local Reviews, as part of the country's SDG domestication and localization efforts. This was conducted jointly with RCO, UNECA and UNDESA.
The project supported Government participation in the High-Level Political Forum (HLPF) to facilitate South- South Cooperation and practice sharing on SDG implementation. The HLPF set the foundation for the 2023 SDG Summit which sought to take stock of SDG progress and chart the way forward for SDG acceleration in the second half of implementation.

The Project supported the successful development of Zimbabwe's 3rd Voluntary National Review, VNR report which was presented during the 2024 High Level Political Forum in New York. Furthermore, the project successfully supported production of Local Voluntary National Reviews (LVRs) and as a best practice the LVRs as informed the VNR.

2.3 Number of SDG integration initiatives conducted for private sector.

Baseline: 0
Target: 4 additional

Regarding private sector engagement, the project worked with both the Confederation of Zimbabwe Industries (CZI) and the Zimbabwe National Chamber of Commerce (ZNCC) to raise SDG awareness, as well as to start work towards the development of SDG Impact Frameworks for businesses as a means of helping business to identify, articulate and measure their contribution to the SDGs and make more informed decisions about their contribution. The office partnered with more than 90 private sector organizations under the Confederation of Zimbabwe Industries and the Zimbabwe National Chamber of Commerce, in pursuit of private sector engagement in the SDGs. Through this partnership, CO successfully advanced its private sector engagement efforts and helped capacitate the private sector on SDGs and accessing markets within the AFCFTA. This has helped build a strong foundation for the $1 trillion Moonshot and SDG financing opportunities for the country. This was achieved by rolling out the 2023 instalment of Accelerate 2030 which seeks to engage SDG-aligned growth stage companies to help them scale their businesses for greater SDG Impact. SDG training was conducted for these, as well as one-on-one sessions with each entity to strengthen SDG alignment and lay the foundation for SDG Impact measurement and planning. As a result, 10 growth stage companies were capacitated for SDGs thus improving progress towards capacitating the private sector for SDG implementation.

2.4 Number of SDG initiatives conducted with academia.

Baseline: 0
Target: 3 additional

Planning activity with the University of Bindura was done in July 2023 and this resulted in planning for youth engagement in SDGs.

2.5 Number of female and youth entrepreneurs capacitated for business, including the leveraging of trade and investment opportunities provided by AfCFTA.

Baseline: 0
Target: 1 AfCFTA awareness raising workshop and 1 private sector dialogue

AfCFTA training for businesses operating at the subnational level in partnership with ZNCC was conducted in September 2023. The training capacitated businesses for engagement with AfCFTA as to help prepare them to access regional markets. The project supported the Africa Continental Free Trade Agreement (AfCFTA) and work started regarding AfCFTA market opportunities study in partnership with CZI. Furthermore, work started regarding AfCFTA market opportunities study in partnership with CZI as well as supported the ZNCC annual Congress and the dialogue around the AfCFTA. The dialogue discussion as well as prior work done around the AfCFTA is in the process of being compiled into a policy brief.

Women-owned businesses were also supported for growth while businesses operating sub-nationally were capacitated to engage with the Africa Continental Free Trade Agreement (AfCFTA) and take advantage of opportunities therein. It is envisaged that work regarding private sector engagement will contribute not only to their growth, but resultantly, to fiscal strengthening in line with the project objectives. Private sector supported also extended to Small and Medium Enterprises (SMEs) through the Accelerate 2030 initiative in which growth-stage companies are capacitated for the SDGs. In 2023, for the first time, Zimbabwe was represented at the global finals with 2 of the 5 global finalists being Zimbabwean.

The 2 female SME representatives (Eny's Treats and Mutombo) that participated during the Intra-Africa Trade Fair 2023 were empowered to access the export market. As a result, Eny's Treats managed to have linkages with buyers including a buyer in the pharmaceutical industry based in Mauritius, another from Tajikistan and a couple of importers based in Egypt. Other buyers who are not in the food sector recommended leads for the Kenyan and

Namibian market. Namibia Ministry of Trade and Industry had interest in initiating trade of Eny's Treats' products in Namibia to test the market and eventually set up a branch in towns close to the Zimbabwean borders. Mutombo SME that specializes in teas and beverages also managed to create linkages to expand business opportunities with Nigeria on the use of Rosela. In addition, training for 50 Women in Business as a means of contributing to women's economic empowerment and strengthening women owned businesses for growth was also conducted.

2.6 State of Industry and Commerce survey conducted and disseminated.

Baseline: 0
Target: Survey conducted

UNDP supported ZNCC in the development of the State of Industry and Commerce report and the report was launched and disseminated on the 7th of December 2023.

2.7 ZNCC congress supported

Baseline: 0
Target: Congress conducted

The project supported the ZNCC annual Congress and dialogue around the AfCFTA was conducted. The dialogue discussion as well as prior work done around the AfCFTA is in the process of being compiled into a policy brief.

Results against Output 3: Policy and operational systems strengthened.

3.1 Support for the Zimbabwe Economic Development Conference (ZEDCON)

Baseline: 0
Target: Conference conducted in 2023

The Project successfully supported Zimbabwe Economic Development Conferences (ZEDCON) in 2023 and 2024 successfully held in Victoria Falls. and the outcome of the economic research papers that were developed contributed to the National Budget Formulation process. As a result of the discussion and dialogue during the conference, recommendations on the introduction of the Sugar Tax (SSBs) and a digital platform that offers immediate, traceable, and genuine data on domestically produced excisable goods were made. These are aligned with the UNDP SDG Taxation Framework Assessment and the Zimbabwe tax system for the achievement of SDG5 (Gender Equality), SDG3 (Good Health and Well-being), and SDG17 (Partnerships for the Goals). This worked well as it was adopted by the government as demonstrated through the 2024 National Budget Statement, as it was perceived to be advantageous for the government's finances. The additional resources to be raised through these tax measures will be ring fenced for the treatment of non-communicable diseases (NCDs) with hospitals currently not having any functioning cancer machines.

3.2 Number of research initiatives conducted in support of pro-poor and gender sensitive policy formulation.

Baseline: 0

Target: 2

The budget statement was informed by the evidence-based research which was presented at the ZEDCON conference. UNDP made a presentation on Leveraging the Informal Sector for Development in Zimbabwe, in addition, more than 11 analytical papers and research were presented during the conference facilitated by UNDP, and these directly influenced the following pronouncements in the 2024 budget – new domestic resource mobilization measures such as the introduction of the Wealth Tax, Sugar Tax, Surcharge on High Value Goods and reviewing the VAT rates; measures strengthening taxation of the informal sector and also tight monitory and fiscal policies that support a stable currency.

It is anticipated that the measures will contribute to a more stable macro-economic environment. Policy briefs were produced following the ZEDCON conference. The informal sector dialogue and policy brief, along with work to strengthen the national Tax 4SDG ecosystem, also informed domestic resource mobilization strategies in support of fiscal strengthening and economic growth. Additionally, the Project supported a mono-currency study, which was finalised in 2024.

3.3 NDS mid-term evaluation and dissemination

Baseline: Mid-term evaluation of NDS not conducted
Target: Mid-term evaluation of NDS completed

The project supported the NDS mid-term review, and the Government successfully concluded the review, and the report was produced to guide further policy interventions. The project also facilitated engagement around the 2023/24 Global Human Development report and the dialogue that took place is aimed at informing policy strengthening and improvement of operational systems. As a result of the dialogue session, the project was invited to present to the Zimbabwe Economics Society on the findings of the report and in-depth discussions took place that are aimed at shaping the policy direction in the country.

4. Cross-cutting Issues

4.1 Gender Equality, Women's Empowerment, and Social Inclusion

As part of continued resource mobilization efforts, the project wrote a focusing on supporting export ready women and youth led SMEs. The proposal which was submitted to UNDP was allocated resources to Promoting Prosperity Pathways for Women and Youth-led MSMEs within the AfCFTA. Activity implementation focusing on export ready women and youth led MSMEs will begin in the second quarter of 2024.

4.2 Capacity Development and Sustainability (maximum 1/2 page)

In line with planned capacity building for Development Cooperation and resource mobilization, 6 Ministry of Finance Economic Development and Investment Promotion officials (4 female and 4 male) were capacitated in Grants and Loans Negotiation Skills. This contributed to strengthening the country's aid management of resources and processes. The skills obtained during the capacity building initiative will contribute to effective management of development resources.

Furthermore, the capacity obtained will help ensure that funds available to the country for development are maximised through improved efficiency, management, and transparency of both domestically and externally generated funds, enabling the country to make greater investments in national priorities and the SDGs. The ultimate long-term goal will be reduction of reliance on aid however in the interim and through this project, capacities will be strengthened for greater resource mobilization, together with refinement of transparency mechanisms in public finances.

4.3 South-South and Triangular Cooperation (maximum 1/2 page)

Has the project supported Zimbabwe drawing on expertise and experiences from other developing countries or sharing its expertise and experiences with other developing countries? Please indicate details with evidence.

Country	Type of cooperation
1. New York	Exchange of knowledge during the High-Level Political Forum on Sustainable Development in New York
2. South Africa, Mozambique and Zambia	Exchange of knowledge on Local Voluntary National Reviews (LVRs) and as a best practice the LVRs as informed the VNR. This resulted in Zimbabwe developing 6 VLRs and government directive for all local authorities to develop VLRs.
3. Egypt	Participation in the Second Egypt International Cooperation Forum which resulted in the development of Common messaging for Africa and preparation for CoP 27

4.4 Partnerships

The project leveraged on strong collaboration with the UNDP Tax4 SDGs project towards addressing obstacles to an efficient tax and business operating environment. In addition, the project established strong partnership with the private sector members of the Confederation od Zimbabwe Industries (CZI) and the Zimbabwe National Chamber of Commerce (ZNCC) in the implementation of project activities, particularly the development of SDG Impact Frameworks for businesses.

From government side, the collaboration with the Ministry of Finance Economic Development and Investment Promotion as well as the Ministry of Public Service Labour and Social Welfare contributed to the achievement of results.

4.5 Strengthening National Capacity (max 1 page)

***Guidance:** Describe national capacity strengthening initiatives and results for the quarter*

Results achieved	Institution	National capacity strengthened
1) Strengthened capacity for Ministry of Finance	Ministry of Finance Economic Development and Investment	International Cooperation and Aid Coordination.

	Economic Development and Investment Promotion officials in aid coordination.	Promotion	
2)	Strengthened capacity for Ministry of Public Service Labour and Social Welfare in coordinating 2030 Agenda for sustainable development.	Ministry of Public Service Labour and Social Welfare	Coordination of the 2030Agenda for Sustainable Development and other regional agendas. Coordination of monitoring, evaluation and review of strategies, policies and regulations aimed at the attainment of Sustainable Development Goals (SDGs) and Agenda 2063.

5. Monitoring and Evaluation

Very briefly describe the type of M&E activities (field visits, assessments, baselines, reviews, surveys, evaluations etc.) undertaken during the year.

Key M&E activity (monitoring visit, evaluation, review exercise)	**Key outcomes/ observation**	**Recommendation**	**Action taken**
Spot check for the project by BDO for the implementing partner of the project.	A spot check report was produced	The Spot check report had no major findings.	Implementation of activities continued as planned
Monthly and Termly production of activity implementation reports	Efficient tracking of implementation project activities	Development of activity implementation acceleration plans for lagging activities.	Development of activity implementation acceleration plans as and when necessary
Stakeholder update meetings on implementation of activities.	Efficient tracking of implementation project activities	Development of activity implementation acceleration plans for lagging activities.	Development of activity implementation acceleration plans as and when necessary

Human Interest Story

Tracy Vongai Mapfumo (Eny's Treats) was supported by the project to participate and exhibit during the 3rd edition of the Intra African Trade Fair (IATF) 2023 held in Cairo, Egypt from the 8th to the 15th of November 2023, under the theme 'Connecting Markets'. This event, he biggest and most important trade and economic event since its launch in 2018 was organized by the African Export and Import Bank (Afreximbank) in cooperation with the African Union and the African Continental Free Trade Agreement (AfCFTA). "The event provided me with a unique to meet and explore business opportunities, said Tracy as she reflected on the trade fair outcomes.

The Intra-African Trade Fair (IATF) was an essential platform to meet prospective buyers of Eny's Treats products. "As a micro/small enterprise, it has never been easy to find a way forward in terms of initiating exports. Being able to converse with potential buyers was an invaluable experience," said Tracy. Buyers who were interested in Eny's Treats' products include a buyer in the pharmaceutical industry based in Mauritius, another from Tajikistan and a couple of importers based in Egypt. Other buyers who are not in the food sector also recommended leads for the Kenyan and Namibian market.

The opportunity contributed to the endeavour to capacitate women and youth entrepreneurs so that they benefit from the AfCFTA. Tracy noted that there is great potential to collaborate with Togo Choco, an SME in Togo specializing in dark chocolate sourced from a women co-operative and soon to earn a Fair-Trade certification. Sourcing their dark chocolate as an ingredient will promote the concept of regional value chains.

Other entrepreneurs met by Tracy will be key contacts in respective countries for example in Zambia, Malawi, Namibia, Ghana, Mali, Togo, Nigeria and Lesotho. These contacts can advise on market trends and other in-country knowledge relevant for export.

Sessions attended

I. **Risk Management** (max 1/2 page)

Risks	Mitigation Measures
Economic shocks from inflation, high interest rates, volatile exchange rates	Technical support to Government to expedite a macroeconomic reform that are conducive for business operations. Facilitate dialogue between Government and MSMEs around the macroeconomic fundamentals
Limited implementation of commitments by Government Institutions	Provision of technical support to MSMEs and Government Institutions

1.1 Challenges

The following challenges were encountered during the lifetime of project implementation: -

- Progress on the Structured Debt dialogue has been slow with the need to agree on a wet SMP and for development partners and development financial institutions to support Government efforts with financial resources to reduce pressure on the fiscus.
- Also linked to the progress of the Economic Sector Working Group priorities as outlined and agreed on the implementation matrix, the servicing of all the foreign currency denominated liabilities of the RBZ through treasury has been slow.
- Overall, full potential of the project impact has been affected by a challenging macroeconomic environment (exchange rate volatility and price instability) which still exists, with weak growth prospects because of the el-nino induced drought.
- The programme has faced a few challenges in relation to the timely receipt of TRAC 2 resources as well as delays in consultancy procurement processes. However, UNDP has managed to move much of the work forward, utilizing UNDP core capacity from Regional as well as Country Office to move the activities forward in a timely manner.

1.2 Lessons Learned

The following are the lessons learnt during the project implementation period: -

- **Business associations** represent an effective entry point for private sector engagement: Through private sector engagements, the project leant that articulation of the business case for SDGs helps increase the effectiveness of private understanding and contribution towards SDGs.

- **Effective Coordination:** The project was effective in laying a strong foundation for greater private sector engagement as well as support for Domestic Resource Mobilisation including through the historic Debt Dialogue Platform. It will now be essential to consolidate progress and build on it for greater impact.

- **Domestic resource mobilization:** Domestic resource mobilization remains key in the Zimbabwean context and the prevailing macroeconomic environment, particularly in relation to informality and taxation.

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