



Public Financial Mgmt Enhancement Project (P152932)

AFRICA | Zimbabwe | Governance Global Practice |
 Recipient Executed Activities | Investment Project Financing | FY 2016 | Seq No: 1 | ARCHIVED on 29-Jun-2016 | ISR24398 |

Implementing Agencies: Ministry of Finance and Econ Devt

Key Dates

Key Project Dates

Bank Approval Date:24-Mar-2016

Effectiveness Date:24-Jun-2016

Planned Mid Term Review Date:23-Apr-2018

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2019

Revised Closing Date:30-Jun-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

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

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

No

Components

Name

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

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

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

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

PFMEP Management:(Cost \$2.00 M)

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

Overall Ratings

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



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

Implementation Status and Key Decisions

The grant agreement for the Zimbabwe Public Financial Management Enhancement Project was signed by the Government of Zimbabwe (GOZ) and the International Development Association (IDA) on May 4, 2016 for US\$10million (first phase of the \$20million) with a retroactive date of December 1, 2015. All the four effectiveness conditions have been met by the GoZ paving the way for the project to be declared effective on June 24, 2016. The effectiveness conditions are:

1. The execution and delivery of the Grant Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action
2. The recipient has adopted the Project Operational Manual in form and substance satisfactory to the World Bank.
3. The Recipient has established the PFM Steering Committee under terms of reference satisfactory to the World Bank
4. The Recipient has recruited the necessary staff of the Project Management Team, with qualifications and experiences acceptable to the World Bank, including, inter alia: procurement officers, a financial management specialist, a gender specialist and a monitoring and evaluation specialist as well as the Project Director, in accordance with the provisions of Section 111 of Schedule 2 of this Agreement.

The Project Steering Committee was set up with terms of reference agreed with IDA and two meetings of the committee took place on April 5 and June 16, 2016. . The members of the project management team have been appointed with their individual terms of reference and the project has developed a comprehensive procurement plan which was presented to the IDA - no objection was granted and as a result of which some of the activities of the project have commenced.

Being the first recipient executed Public Financial Management Project in Zimbabwe, it is very necessary to minimize the fiduciary risks. Hence the project team will field frequent implementation support missions until there is sufficient assurance that the GoZ team are capacity of handling the project with less supervision. A major mitigation measure that will remain in place for at least the first few years is the use of the direct payment method of disbursement. The general threshold for direct payment method is \$100,000 but has been reduced to \$20,000 for this project. After a year of implementation, the team will review and make the necessary recommendations



Risks

Systematic Operations Risk-rating Tool

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

Results

Project Development Objective Indicators

► Quality and timeliness of annual financial statements (Months, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	--	--	6.00
Date	30-Oct-2014	--	--	30-Jun-2017

► Proportion of Budgetary expenditures reported in Annual Consolidated Financial Statements (including Statutory Funds and Donor Funds) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	60.00	--	--	95.00
Date	31-Dec-2014	--	--	31-Dec-2019



▶ Enhanced Budget credibility by reducing supplementary appropriations (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	--	--	5.00
Date	31-Dec-2014	--	--	31-Dec-2019

▶ Enhance credibility of payroll (Years, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	--	1.00
Date	31-Dec-2014	--	--	31-Dec-2019

Overall Comments

Intermediate Results Indicators

▶ Prepare and gazette monthly and quarterly accounts (Months, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	4.00	--	--	1.00
Date	31-Dec-2014	--	--	31-Dec-2019

Overall Comments

The OST has reviewed the draft of this ISR and comments were incorporated.

Data on Financial Performance

Disbursements (by loan)

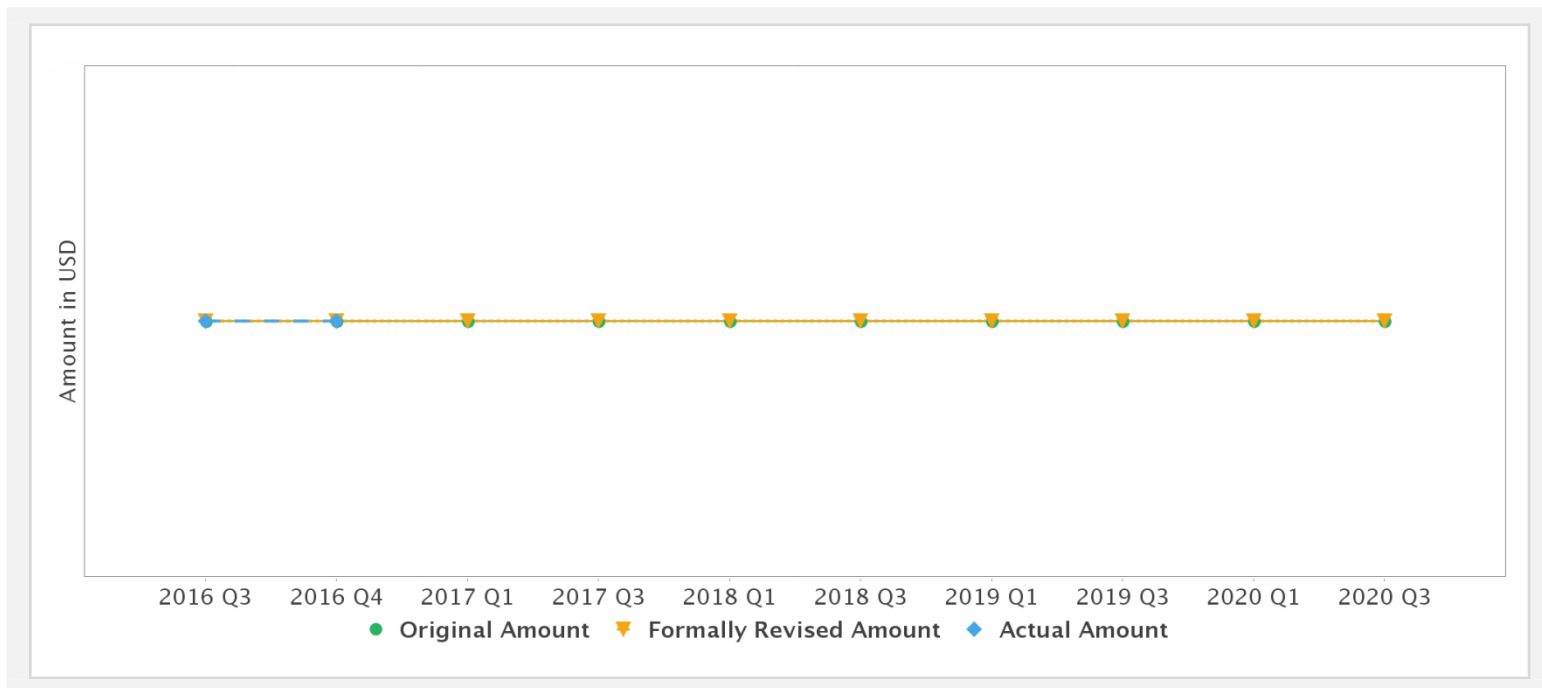
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P152932	TF-A1783	Effective	USD	10.00	10.00	0.00	0.00	10.00	0%



Key Dates (by loan)

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

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.