

ZIMBABWE MULTI-DONOR TRUST FUND



2011 Annual Report

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1 INTRODUCTION

- 1.1 This is the Annual Report of the first year of the implementation of the Zimbabwe Multi-Donor Trust Fund (Zim-Fund), prepared as required under paragraph 8 of the “Framework of the Zimbabwe Multi-Donor Trust Fund”. The document presents the activities of the Zim-Fund and progress achieved in 2011. A forward looking work program will be developed subsequently to set out the priorities for the year 2012. A Mid-Term Review of the facility will also be conducted during the second half of 2012 with a view to recommendations for improvement in the operation of the facility moving forward.
- 1.2 Other reports required under the Framework include audited annual financial statements of Donor contributions and the use of Funds by project, prepared in accordance with AfDB accounting practice and procedure. An unaudited financial statement on the Zim-Fund, as at 30 September 2011, is attached to the Annual Report.

Establishment

- 1.3 The Zim-Fund was established on 31st May 2010, following approval by the Boards of Directors of the African Development Bank Group (the Bank) of the recommendations contained in a document entitled “Establishment of a Multi-Donor Trust Fund for Zimbabwe”. Negotiations between the Bank and Donors on the modalities to establish the Fund were concluded in July 2010.

Purpose of the Zim-Fund

- 1.4 The purpose of the Zim-Fund is to contribute to early recovery and development efforts in Zimbabwe by mobilizing donor resources and promoting donor coordination in Zimbabwe, so as to channel financial assistance to such efforts. The thematic scope of the Zim-Fund initially focuses on infrastructure rehabilitation investments in water & sanitation, and energy.

Size of the Zim-Fund

- 1.5 The size of the Zim-Fund is determined by development partners’ willingness to contribute to it over time. Donors’ commitments to the Zim-Fund to date, in various currencies, currently add up to an equivalent of USD 86.2 million**, out of which an actual amount of USD 68.5 million has been released to the Zim-Fund account as of end December 2011. The Zim-Fund was declared effective after the threshold of USD 40 million was reached on 19 October 2010. Table below shows donors’ commitments as of end November 2011.

Contributing Donors	Total Pledged In currency of Pledge
Australia	A\$ 10,000,000
Denmark	DKK 75,000,000
Germany	EUR 20,000,000
Norway	NOK 41,000,000
Sweden	SEK 40,000,000
Switzerland	CHF 4,900,000
United Kingdom	GBP 10,000,000
Total (in million US\$ equivalent)**	USD 86,178,070

** Using applicable Exchange Rates as of end August 2011

Governance Structure

- 1.6 The governance structure for the Zim-Fund is a one-tier: a Program Oversight Committee (POC) supported by a MDTF Management Unit (MMU). Membership includes representative from government and contributing development partners. It is co-chaired by a government representative and a donor representative on a rotational basis.
- 1.7 The POC provides overall strategic direction to the Fund and oversees the implementation of the Zim-Fund as a whole. The POC meets on a quarterly basis or as often as required, and receive reports on resource mobilization and activities supported by the Zim-Fund from the MMU. All Zim-Fund supported activities are or should be consistent with the government's recovery and development programs, and also have a pro-poor focus.

2 MAJOR ACTIVITIES/EVENTS DURING 2011

Secretariat of the POC

- 2.1 Following its establishment on 15 December 2010, the MMU has been fully staffed by a team of consultants – Zim-Fund Manager, Water and Sanitation Engineer, Power Engineer and Procurement Specialist to fulfill its mandate of supporting the Program Oversight Committee (POC), consultation with the GoZ to ensure alignment of Zim-Fund activities with the government development plan and strategy, and ensuring smooth functioning of the Zim-Fund. The MMU has managed the preparation of the proposals on the two projects (Urgent Water Supply and Sanitation Rehabilitation Project (UWSSRP), the Emergency Power Infrastructure Rehabilitation Projects (EPIRP), and also oversaw the appraisal, processing, approvals, and implementation of these projects financed by the Zim-Fund. The MMU has also facilitated 4 meetings of the POC, and processed and distributed records of decisions made at those meetings.

Launch of the Zim-Fund

- 2.2 The Zimbabwean Minister of Finance together with the African Development Bank President and the Head of DfID launched the Zim-Fund in a ceremonial event that took place at the Meikles Hotel, Harare on 7th March 2011. The event attracted participation of important dignitaries including Ambassadors, representatives of development partners and civil service society. In his remarks, the President acknowledged that some of the issues around the ZIMFUND were complex. He expressed that the Bank was fully aware of the responsibilities given to it, and pledged to do everything possible for the successful implementation of the Facility. He also called upon partners to support the Trust Fund and assist us for its full take off.

Organizational Achievements

- 2.3 In the course of 2011, the POC Secretariat prepared the Rules and Procedures for the Program Oversight Committee and also branded the Zim-Fund through publications of Briefs and Newsletter. Among the most important achievements of the Unit during the year under review are the fast-tracking of procurement of the services of the two Implementing Entities with authorization of the Government and the POC, as well as the negotiations and contract finalization for the Procurement Agent. Both of the Implementing Entities have already engaged in Kick off meetings, and are on the Inception Phase. The Procurement Agent is set on course, after signing the Supplemental Agreements, for various procurement preparatory process and actions.
- 2.4 The team is as follows:
 - 2.4.1 Procurement Agent: Crown Agents for Oversea Governments and Administrations Ltd (UK-Contact Mr Paul Phillips-

- 2.4.2 Implementing Entity for Urgent Water Supply and sanitation Rehabilitation Project-POYRY Environment GmbH of Germany-contact Mr Stephan Dollery-Project Manager
- 2.4.3 Implementing Entity for Emergency Power Infrastructure Rehabilitation Project-PARSONS Brinckerhoff Africa (Pty) (PB)-SA-Mr Stephan Rynders-Principal Project Manager

Switzerland accession as the 7th Contributor to the Zim-Fund

- 2.5 On 11 August 2011, the Switzerland joined the Zim-Fund, thereby becoming the 7th Contributor to the Zimbabwe Multi-Donor Trust Fund being administered by the African Development Bank. The occasion was marked by the signing of the Contribution Letter by Francois Droz, Resident Director, on behalf of Swiss Agency for Development and Cooperation (SDC) and Mahamudu Bawunja, Resident Representative, AfDB Harare Field Office, on behalf of the African Development Bank Group.

Denmark Made Additional Contribution to the Facility

- 2.6 By letter dated 21 November 2011, Denmark informed the Bank of the additional pledge of DKK 45,000,000 by the Government of the Kingdom of Denmark to the Zim-Fund. The size of Danish Contribution to the Zim-Fund consequently increased from an initial amount of DKK 30,000,000 pledged in October 2010, to a new threshold of DKK 45,000,000. Following the signing of the contribution letter, the first tranche of Twenty Nine Million One Hundred Forty Thousand Danish Kroner (DKK29, 140,000) was transferred to the Zim-Fund Account, to cover the new activities under the Zim-Fund.

Zim-Fund Water and Power Rehabilitation Projects Launched in Harare in December 2011

- 2.7 The Ministry of Finance and the African Development Bank (AfDB) through the Zimbabwe Multi-door Trust Fund (Zim Fund) held a one day workshop on 15th December 2011 in Harare, Zimbabwe to launch the Urgent Water Supply and Sanitation Rehabilitation Project and the Emergency Power Infrastructure Rehabilitation Project. The workshop attracted the participation of senior government officials, parastatals, local authorities, Zim Fund Procurement Agent, the two projects Implementing Entities, and high level representation from development partners. Keynote addresses were delivered by the Honourable Ministers of Finance, Water Resources Development & Management and Energy and Power Development.
- 2.8 The Zim-Fund donors (Australia, Denmark, Germany, Norway, Sweden, Switzerland, and the United Kingdom), represented by Dave Fish, The Zim-Fund donors (Australia, Denmark, Germany, Norway, Sweden, Switzerland, and the United Kingdom), represented by Mr. Dave Fish, Head, DFID Harare and Co-Chair of the Zim-Fund Program Oversight Committee, considered the workshop as a welcome milestone. According to them, it is the point where they herald the start of the activities which they hope will quickly deliver real benefits to the people of Zimbabwe - more people getting more water; and a more equitable and predictable spread of power. The donors thanked the AfDB for taking on the responsibility for the Fund and for having worked closely with donor and Government colleagues to reach this point. However, donors stressed the need for expeditious implementation of the projects – while assuring that they will do so as supporters who recognize the great efforts made this far. Several donors are prepared to make additional contributions to the Zim-Fund, provided they see progress and demonstrable impact for the people of Zimbabwe.

- 2.9 The Ministers on their behalf thanked the donors who make contributions to the Fund. They stressed that continued investment in rehabilitation of infrastructure is a key to the country's recovery process. The two projects go a long way in contributing to this recovery process, protection of individual and public assets and safeguarding the public health. They underlined that, with the money now having been allocated, the municipalities and utility companies have a duty to put the money to optimum use at the shortest possible time. They pledged regular progress checks during the course of project implementation and committed to provide the necessary support to the beneficiary municipalities. One other pertinent issue echoed by the Ministers was about stakeholder ownership. Many felt that the project implementation process ownership was outside the primary beneficiaries and requested a mechanism to address this gap.
- 2.10 Participants acknowledged that the range of key implementation issues on procurement, monitoring, evaluation, reporting and financial management, were critical and it would be important that all parties have a shared understanding about how they will be done. In addition to presenting the two projects, the workshop also exposed them to the full menu of the Bank's rules and procedures for procurement of goods, works and services; as well as the fund disbursement and financial reporting.

POC Meetings

- 2.11 The governing body of the Zim-Fund, the Program Oversight Committee (POC), has been providing overall strategic direction to guide the Fund's activities. It meets regularly to provide policy guidance and approve projects. Co-chaired by the Government of Zimbabwe and a representative of donors, the POC met four times during the period to consider their agenda businesses. The ordinary sessions were on 19 October 2010, 21 January 2011, and 1 April 2011; and the special session was on 9 March 2011 respectively. The Committee adopted its Rules of Procedures at the meeting of 21 January 2011.

Portfolio of Projects Financed under the Zim-Fund (as at end December 2011)

- 2.12 Two projects were approved for financing from the Zim-Fund during the first half of 2011. The projects were launched in December 2011 to kick-start physical implementation. Future projects are envisaged depending on successful start off of the approved priority projects, and donors' willingness to continue to support the Fund.
- Urgent Water Supply and Sanitation Rehabilitation Project: A grant in the amount of USD 29.65 million was approved to support urgent rehabilitation works - restoration and stabilization of water supply and sanitation services in the Municipalities of Harare, Chitungwiza, Mutare, Chegutu, Masvingo and Kwekwe. Targeting a total population of approximately 4.15 million people, the envisaged outcomes include: increased reliability, quality and availability of water supply in the project areas; restored wastewater treatment capacity; and reduced incidence of cholera and other water related diseases (Annex 2).
 - Emergency Power Infrastructure Rehabilitation Project: A grant in the amount of USD 35.00 million was approved to support improvement of the reliability of power supply in an environmentally sound manner through the rehabilitation of the Ash Plant at Hwange Power Station (HPS) and the sub-transmission and distribution facilities in the country. The project beneficiaries include the entire electricity consuming public in Zimbabwe (Annex 3).

- 2.13 The grants for the water and power projects were approved by the POC in their meetings held on in Harare on 21 January and 1 April 2011 respectively. Additional funding was requested for the Power project to allow physical interventions dealing with other environmental concerns raised at the 1st April meeting of the POC. The proposal for a supplementary amount of USD 2.4 million, submitted to the Committee, was approved using a lapse-of-time procedure with a deadline of 27 May 2011. The approval of the supplementary funding by the POC brought the grant amount for the power project to USD 35.0 million. The UWSSRP and the EPIRP were approved by the AfDB Board on a lapse-of-time basis, on 8 April 2011 and 30 June 2011 respectively.
- 2.14 Two Protocols of Agreement on the Water and Power Projects were successfully negotiated with the Government of Zimbabwe. The Protocol Agreement for the UWSSRP was signed on 10 June 2011 by the GoZ and the Bank in Lisbon during the ADB Annual Meetings (copy will be shared with donors). The Agreement for the EPIRP was signed by exchange of correspondence on 14 September 2011.
- 2.15 The two interventions in the water and power sectors will help with the much-needed rehabilitation works on water and sanitation in six urban areas, and the Ash Handling Plant at the Hwange Power Station as well as power transmission and distribution facilities across the country. These projects will benefit the entire population, especially the poor.

Key Services Were Procured for the Zim-Fund Rehabilitation Projects

- 2.16 The bulk of the activities of MMU during the second half of the year involve procurement of services of the IEs (by the MMU) that will be responsible for day-to-day implementation of the two projects. The Unit ensured that the Procurement Agent (PA) gets on board and has adequate briefing and documentation essential for collaboration with projects implementation. The PA shall be fully responsible for all procurement activities, except for recruitment of IEs, with the MMU playing an oversight role only.
- 2.17 Under the guidance of the POC, and an authorization by the GoZ, the Bank has taken measures to initiate and expedite the procurement of required services for the Zim-Fund. Procurement activities were initiated after receipt of request from Government on 22nd March, authorizing the Bank to commence advance procurement for recruitment of the Procurement Agent (PA) and the Implementing Entities (IEs).
- 2.17.1 The Government of Zimbabwe officially requested for grant assistance from the Fragile States Facility (FSF) resources to fund the services of the Procurement Agent retained for the Zim-Fund projects. The request was approved by the Bank, and the related Letter of Agreement between the Bank and the Government of Zimbabwe on the same was signed by both parties. The Bank contributed an amount of USD 1.5 million to the Zim-Fund under the FSF.
- 2.18 The status of the procurement processes for the Procurement Agent (PA) and Implementing Entities (IEs) were as follows:
- 2.18.1 Final negotiations with the preferred PA were successfully concluded in Harare on 12th April 2011.
- 2.18.2 The process of engaging the services of Implementing Entities for two projects (UWSSRP & EPIRP) that have been approved for financing from the Multi-Donor Trust Fund resources was initiated in April 2011. Advertisements for Expressions of Interests (EOIs) for the projects were placed in the relevant websites. At the closing date of 18th April 2011, a total of about 47 expressions were received for both projects.

- 2.18.3 A final list of 6 firms for each assignment was drawn and eligibility cleared by the Bank's Procurement and Fiduciary Services Department (ORPF). The list was forwarded to the POC Co-Chair for sharing with contributing donors for further due diligence and this was cleared.
- 2.18.4 Requests for Proposals for both projects, incorporating draft TORs and contracts, were issued to the shortlisted firms (6 for each project), with deadline for submissions put at 5th and 12th August for the UWSSRP and EPIRP respectively. MMU initiated the process of constituting an evaluation committee to carry out the technical and financial evaluation of the submissions received by the deadline date. The Committee's work was strictly guided by the AfDB procurement rules and procedures.

Planned Project Implementation Schedule

- 2.19 *Technical Assessment, Design and Preparation of Works bidding documents:* Technical assessments for the two projects were being carried out by the IEs in December 2011. MMU has been involved in preparation of project briefs for newly engaged IEs and plan to undertake site visits with the IEs and Ministry of Water as well as ZESA Officials.
- 2.20 According to the projected implementation schedule, the expected completion date of the UWSSRP is May 2013 and for the EPIRP is November 2012.

Administrative and Knowledge Work

- 2.21 The Operations Manual for the Zim-Fund is being reviewed with a view to fine-tuning its contents, based on the actual experience of implementation. Preparation of procedures and guidelines to accompany the Operations Manual has begun. The deliverables include: fiduciary and safeguard; accounting and financial reporting; procurement supervision, monitoring and evaluation, in line with the appropriate sector policy as well as the Bank rules and procedures for project management. Donors will be consulted on any changes to the Manual to confirm their agreement or further guidance on the content and process.
- 2.22 In response to requests from some POC members, preparation of a Communication Strategy and the stakeholder list for the first phase of the strategy has been initiated. This will accommodate, among others, redemptions or contributions to the Zim-Fund.
- 2.23 MMU attended 6 sessions of the John Robertson Economic Briefing thereby enabling staff of MMU to appraise itself of the current economic trends within the country, which are of relevance to Zim-Fund operations and the ADB Field Office Monthly Reviews.

Bilateral Consultations / Aid Coordination

- 2.24 The MMU was actively involved in and contributed to work of the major coordination bodies such as the ITRG and Urban WASH, to ensure harmony and alignment with other ongoing or planned development and rehabilitation projects.
- 2.25 The MMU also engaged widely in consultation with stakeholders, including meetings with concerned government institutions/ ministries, donors and development partners. These discussions helped understand sector strategies and policy matters, update on the status of the Zim-Fund activities, propose potential Zim-Fund projects and explore potential opportunities for collaboration for funding of these projects in the future.
- 2.26 The stakeholders met include: The Netherlands, Norway, Sweden, Denmark, Switzerland, UNICEF, USAID, JICA, FAO, World Bank, UNDP, French Red Cross Zimbabwe, Ministry of Finance, Ministry of Water Resource Development and Management, Harare Water, Urban Council Association of Zimbabwe, Centre for Environmental Accountability and National Coordination Unit for Rural Water Supply and Sanitation Program.

Identification and Preparation of 2nd Generation of Zim-Fund Projects

- 2.27 The MMU in collaboration with the relevant ministries and agencies has initiated the identification of second generations of projects that are eligible for Zim-Fund financing, and accordingly, initiated preparation of project concept notes.
- 2.28 *Based on the guidance obtained from consultation held with donor towards the end of the year, a two-prong approach will be adopted in the presentation of the final Concept Note on the Second Generation Projects to the POC at their next meeting (envisaged for the third week in January 2012):*
- 2.28.1 The first option is presentation of the CN for projects in the two sectors: Water Project II, with limited or no-rural intervention; and Power Project II with deeper analysis of the sector, economic justification, benefits and impact envisaged; and
- 2.28.2 A fallback position is presentation of the Water Project II with wider scope to include the symbiotic relationship between water and power, with convincing economic justification an expected benefits. This may include the taking forward of the rehabilitation of the 25 major dams currently being investigated for stability and safety under MDTF-A World Bank administered study.
- 2.28.3 In view of the above, Concept Notes are being refined to better describe the pro-poor focus of activities; strengthen the link to first phase of the activities; and address gaps within the sectors.

3 Provisional Financial Statement and Unaudited Financial Report

- 3.1 Annex I presents the financial statement of the Zim-Fund as at end September 2011. The provisional numbers for the statement as at end year will be provided before the end of January and the final numbers will be provided when the audit is concluded in March/April. The figures presented are those from the Accounting Department of the Bank in Tunis. They will be verified and confirmed after the completion of internal and external audits of the Zim-Fund Account, which is due at the end of the year.

4 Staffing

- 4.1 The MMU is staffed by consultants (see below) who are assisted by the African Development Bank Field and Regional office staff. The MMU received a lot of operational support from the Bank's Departments (Water, Energy, Legal, Procurement, Accounting and Disbursement).

<i>Name</i>	<i>Function</i>
Mukaila Ojelade	Zim-Fund Manager
Colin Benham¹	Water Supply and Sanitation Expert
Alex Owusu-Ansah	Power Expert
Che Chenjah	Procurement Expert

¹ The contract of the Expert came to an end on 15th December 2011.

5 Lessons Learned

- 5.1 Being the first year of implementation of the Zim-Fund, the Annual Report is focused on events and organizational matters, with focus especially on progress of procurement of key services required for implementation of the two rehabilitation projects approved so far. Substantial implementation of the projects in 2012 will provide the basis for more analytical and rigorous reporting in the next Semi-Annual progress report, due in 6 months, with a strong focus on the actual development results within each project.
- 5.2 Implementing Entities and a Procurement Agent were recruited for the Zim-Fund projects to expedite implementation. They provide considerable support to the Recipient of the Fund in project execution organizations to ensure good project management and procurement in conformity with the Bank guidelines, transparent financial control mechanisms and comprehensive reporting is necessary to ensure successful project execution. The project launch workshop organized for stakeholders in December 2011 ensured that all parties are conversant with the rules and procedures regarding procurement and financial management.
- 5.3 The Zim-Fund requires evidence of outcomes and impacts of the project that demonstrates reduced poverty levels. It also requires the ability to monitor its efficiency and effectiveness in delivering its program through the use of a results-based management approach. The design and implementation of the M&E system will be undertaken in 2012 to satisfy these requirements.
- 5.4 Zim-Fund interaction and cooperation with other key development partners, i.e., the World Bank-managed MDTF and UNICEF, have to date been very helpful. Zim-Fund aims to increase synergies and strengthen the Zim-Fund's operational approach in 2012. In the interest of donor harmonization and alignment, the use of existing coordination structures offered by the Water Sector Working Group chaired by the Ministry of Water resources, will be explored, to provide ownership and sustainability.
- 5.5 Technical review of proposals for consideration by the POC also needs to be undertaken through thematic working groups like the ITRG for harmonization and alignment.

6 Conclusions

- 6.1 The major preoccupation during the first year of implementation of the Zim-Fund has been on events and organizational matters, particularly recruitment of essential services – for implementation of the rehabilitation projects approved so far under the Fund. Hence, progress made during the year can be summed up in the following key deliverables:
 - 6.1.1 Secretarial support was provided to the Program Oversight Committee of the Zimbabwe Multi-Donor Trust Fund, including preparation and communication of key information and reports for the Zim-Fund Donors;
 - 6.1.2 Development, approval and initiation of implementation of two Zim-Fund rehabilitation projects, in the water and power sectors, for a total grant amount of USD 65 million;
 - 6.1.3 Additional amount of USD 15 million was mobilized through new contributions to the Zim-Fund resources;
 - 6.1.4 Effective branding of the Zim-Fund facility for visibility (key briefs and flyers produced);
 - 6.1.5 The Rules of Procedures for the Program Oversight Committee were prepared and adopted by the Committee at its sitting on 21 January 2011;

- 6.1.6 Protocol of Agreements in respect of the Urgent Water Supply and Sanitation Rehabilitation Project and the Emergency Power Infrastructure Rehabilitation Projects were successfully negotiated;
- 6.1.7 The contract for the Procurement Agent were successfully negotiated;
- 6.1.8 Two Implementing Entities were procured for both Water and Power Rehabilitation Projects, and kick-off meetings initiated for both;
- 6.1.9 Both the water and power rehabilitation projects were successfully launched in a workshop organized in Harare.
- 6.1.10 Identification exercise on second generation rehabilitation water and power projects was initiated.
- 6.1.11 Adequate guidance was received in the Zim-Fund project development and implementation processes, made possible through informal consultation with donors (4 informal meetings were held during the year).

7 The Way Forward

- 7.1 The MMU is preparing an Annual Work Program for 2012, which includes processing of Concept Notes and Appraisal Reports for the second generation of projects along the lines guided by donors, finalizing the work plan and budget, providing support and documentation for the POC meetings, establishment of monitoring and evaluation system during the first quarter of 2012, oversight role in the implementation of the first generation of projects, scale up activities for the Zim-Fund portfolio, and audit of the Fund's financial statement from inception through to 2011.
- 7.2 The Zim-Fund Management Unit anticipates increased activities relating to the physical implementation of the Fund's water and power rehabilitation projects in 2012, and therefore enabling more concrete monitoring and evaluation of the development results. The year also will witness additional contributions from donors, in line with their original pledges.

8 Annexes

Annex I: Unaudited Financial Report
Expressed in United States Dollars

ZIMBABWE MULTI-DONOR TRUST FUND

Annex I, Table I: STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2011

(Expressed in USD)

2011

CONTRIBUTIONS:

Contribution received	63,365,927
Interest earned	115,095
Total funds available	63,481,022

DISBURSEMENTS:

Disbursements	(390,993)
Net Funds available	63,090,029

REPRESENTED BY

Cash in bank	1,749,920
Investments	61,394,574
Net amount payable	(54,465)
Net Funds balance	63,090,029

Note:

The strategy in the Zimbabwe Donor Trust fund has been to ensure liquidity is available when required. After consultation with the Fragile States Unit last year, it was decided to leave a significant portion of the money in deposits as a margin of safety for unexpected disbursements; and to invest some of the cash in bonds with 1yr, 6mnth and 3month maturities to enhance returns with the slightly longer dated bonds and hold them to maturity. Most of the money is in short term deposits (one and two week) which have yielded on average 0.13%

ZIMBABWE MULTI-DONOR TRUST FUND

Annex I, Table 2: STATEMENT OF COMMITMENT AS AT SEPTEMBER 30, 2011

(Expressed in USD)

2011

Total funds available 63,481,022

Less : Commitments

Ongoing activities (Table
3) (66,706,180)

**Total funds available for
commitment**

(3,225,158)

2011 Annual Report on the Zim-Fund

ZIMBABWE MULTI-DONOR TRUST FUND

Annex I, Table 3: SUMMARY OF ONGOING ACTIVITIES AS AT SEPTEMBER 30, 2011

(Expressed in USD)

Activities	Allocated Amount	Cumulative Disbursements as at Dec 31/2010	Disbursements Q1/2011	Disbursements Q2/2011	Disbursements Q3/2011	Disbursements Q4/2011	Total Disbursements as at September 30, 2011	Unspent Budget Amount
Zimbabwe Trust Funds Operation	1,449,257	-	102,609	125,418	154,584	-	382,612	1,066,645
Salaries	494,796	-	-	-	8,381	-	8,381	486,415
Missions - Supervision	36,649	-	-	-	-	-	-	36,649
Workshops	6,493	-	-	-	-	-	-	6,493
Stationeries	3,896	-	-	-	-	-	-	3,896
Communication	3,117	-	-	-	-	-	-	3,117
Vehicle/Equipment	54,479	-	-	-	-	-	-	54,479
Miscellaneous	6,493	-	-	-	-	-	-	6,493
Urgent Water Supply and Sanitation Rehabilitation Project	29,651,000	-	-	-	-	-	-	29,651,000
Emergency Power Infrastructure Rehabilitation Project	35,000,000	-	-	-	-	-	-	35,000,000
TOTAL	66,706,180	0	102,609	125,418	162,965	0	390,993	66,315,187

Annex 2- MPDE Matrix: Urgent Water Supply and Sanitation Rehabilitation Project / 1

Hierarchy of Objectives	Expected Results	Performance Indicators
<ul style="list-style-type: none"> •Goal: Improve the health and social well being of the population •Purpose: Restore and stabilize WSS 	<ul style="list-style-type: none"> •Increase access to improved WSS services •Improved public health •Increased reliability and availability of Ws in project areas •Restore wastewater treatment capacity •Reduced cholera incidence •Improved operational performance 	<ul style="list-style-type: none"> •Coverage of safe drinking water and adequate sanitation •Incidence of water related diseases •Water production increase to 806,000 cubic meter / day from 775,00m3/day •Waster water treatment capacity of 184,325 m3/day restored for all urban from 76,325 m3/d •Cholera case fatality reduced to < 1% •Revenue collection increased by 20% •Non-revenue water decreased by 10% from 50% presently.

Annex 2- MPDE Matrix: Urgent Water Supply and Sanitation Rehabilitation Project /2

Activities	Outputs	Indicative Targets
<ul style="list-style-type: none"> •Engineering Services •Urgent repairs of WSS •Improved sanitation and hygiene education promotion campaigns •Training of local staff and provide tools and methods of their trades & improve the financial billing and collection systems •Input: USD 29.651 million 	<ul style="list-style-type: none"> •Contract awarded and works supervised •Improved operation of the water treatment works. •Wastewater treatment pants reactivated and operations restored. •Overflowing of wastewater curtailed. •Increased knowledge of proper sanitation and hygiene. •Improved operation of WSS 	<ul style="list-style-type: none"> •Six water treatment plants rehabilitated •Six wastewater treatment plants refurbished •Public campaigns on anti vandalism and use of sand for pot cleaning and on improve sanitation and hygiene held in each city every six months •Training sessions on improved sanitation and hygiene education held in each city every 6 months (60% of participants being women). •100 staff in operations, maintenance,, and customer service

Annex 3- MPDE Matrix: Emergency Power Infrastructure Rehabilitation Project / 1

Hierarchy of Objectives	Expected Results	Performance Indicators
<ul style="list-style-type: none"> •Goal: Increased access to affordable and reliable electricity supply and competitive prices. •Improve the reliability of power supply in an environmentally sound manner through the rehabilitation of the Ash Plant at Hwange Power Station and the sub-transmission and distribution facilities in the country. 	<ul style="list-style-type: none"> •Increased access. •Improved Ash handling at HPS. •Improved reliability of sub-transmission and distribution networks. •Improved electricity supply to the treatment plant of Harare City and other urban water supply systems. •Improved environmental management of HPS 	<ul style="list-style-type: none"> •Access to reliable electricity. •Increased generation output. •No. of customers to whom services is restored increases. •Reduction In number of system outages due to incidents in T&D network.

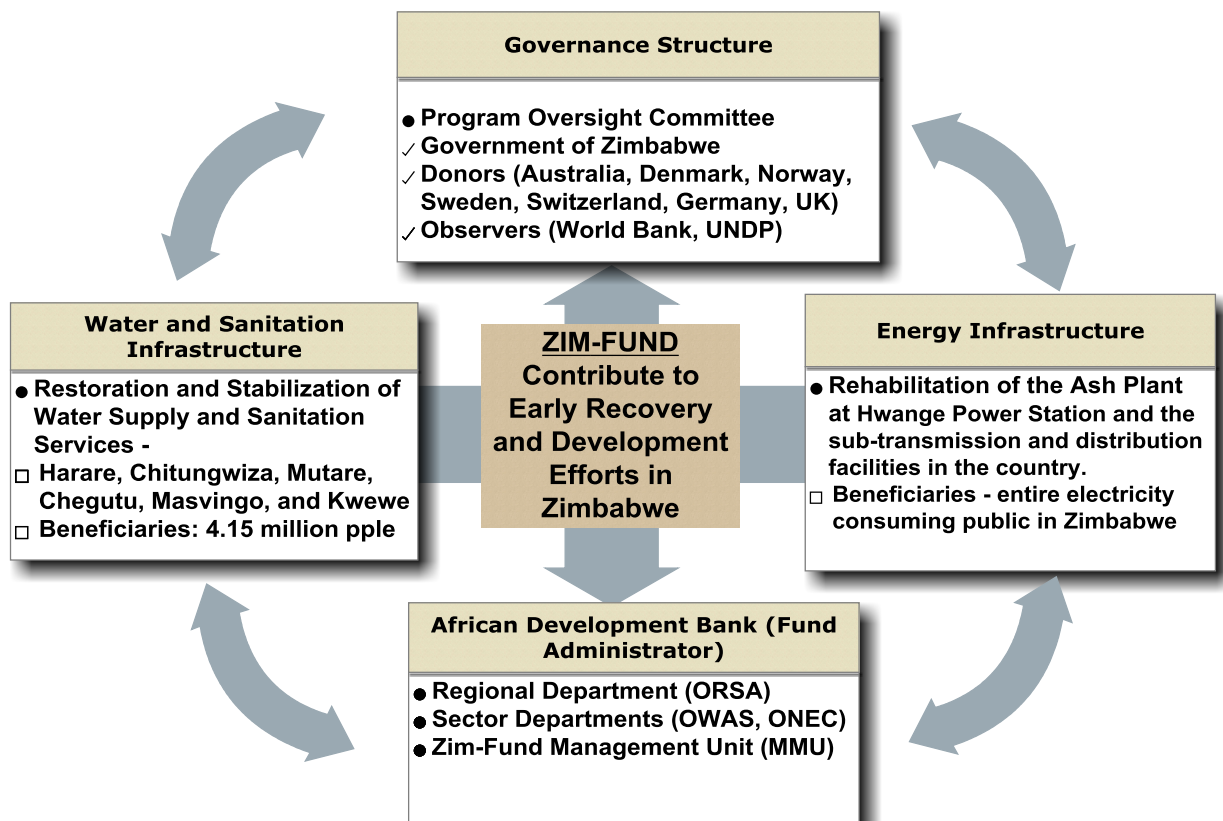
Annex 3- MPDE Matrix: Emergency Power Infrastructure Rehabilitation Project / 2

Activities	Output	Indicative Targets
<ul style="list-style-type: none"> •Engineering Services •Replace and refurbish components in the Ash handling plant. •Reinforce sub-transmission and distribution systems. •Procure and install 16 sub-transmission level transformers. •Procure and install 800-90033/0.4kV and 800-900 11/0.4kV distribution transformers. •Procure TA to conduct Environmental & Social Audit and prepare ESMP for HPS. •Procure electrostatic precipitators and air quality monitoring equipment. •Input: USD 35 million 	<ul style="list-style-type: none"> •Fully rehabilitated Ash Plant at HPS. •A rehabilitated T&D network. •Improved operation of Ash Plant for ash removal and disposal. •Rehabilitated sub-transmission and distribution networks. •An updated and comprehensive ESMP for HPS •Environmental mitigation equipment. 	<ul style="list-style-type: none"> •Number of Engineering Services Contracts awarded and signed by xxxx •Implementing Entity assisted by ZESA constituted Project Management Teams (PMTs). •Project coordination and management services. •Service restored to 22,000 electricity consumers by December 2012. •Signed contracts and completion of E&S Audit and preparation of ESP by December 2012. •Equipment installed and functioning by December 2012

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Thematic Presentation of the Zim-Fund



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