

Cluster Evaluation of Governance Institutional Support Projects in Zimbabwe (2012-2024)

CONCEPT NOTE

October 2024



1. Introduction

Independent Development Evaluation (IDEV) at the African Development Bank Group (AfDB or 'the Bank') is launching a cluster evaluation of AfDB Governance Institutional Support Projects in Zimbabwe over the period 2012-2024. The evaluation is part of IDEV's 2024 Work Program endorsed by the AfDB Board of Directors' Committee on Operations and Development Effectiveness (CODE).

This concept note provides an overview of the country context, the proposed evaluation objectives, scope, questions, methodology and timeline. It aims to inform initial consultations with the relevant stakeholders within the Bank.

2. Country Context

Political Context. Since 1980's general elections marking the end of white minority rule, the Zimbabwe African National Union - Patriotic Front (ZANU-PF) has remained Zimbabwe's dominant political force. Following the July 2013 elections, the ZANU-PF remained in control of a government trying to manage the deterioration of the country's economic situation and widespread popular discontent. In 2017, in the wake of over a year of protests against Robert Mugabe's government, a coup d'état resulted in Mugabe's resignation and sacking from the ZANU-PF. Emmerson Mnangagwa has since served as Zimbabwe's president.

The July 2018 general elections were won by the ZANU-PF led by Emmerson Mnangagwa. Though marred by post-election violence resulting in six deaths, the electoral contests were noted for their peaceful conduct by the regional and international electoral observer missions. In May 2019, the President launched the Political Actors Dialogue and the Presidential Advisory Council to drive economic and political reforms, though the main opposition, the Movement for Democratic Change Alliance, abstained (AfDB, 2021). Legislative reforms are ongoing that seek to enhance transparency, accountability, political and civil liberties.

The most recent harmonized general elections were held on 23-24 August 2023 to elect the President, Members of Parliament, and Councilors. The Zimbabwe Electoral Commission declared President Emmerson Mnangagwa of ZANU-PF the winner of the Presidential race with 52.6% of the votes. However, the main opposition, the Citizens Coalition for Change, did not endorse the outcome of these elections, although it did not contest the results in court within the stipulated time frame. Efforts to re-engage internationally, including negotiations to reintegrate the Commonwealth and compensation of former commercial farmers whose farms were misappropriated under Zimbabwe's land reform program, are underway¹. Zimbabwe remains under sanctions due to defaulting on loans, as well as other economic sanctions².

Economic Context. Over the last decade, Zimbabwe faced significant economic challenges, including high fiscal deficits, substantial public debt (USD 17.69 billion, including debt in arrears), and a fragile external sector. Efforts to stabilize the financial sector were ongoing but were impacted by factors such as the COVID-19 pandemic. The government pursued various measures to improve fiscal discipline, enhance the business environment, and address poverty, but progress was hampered by the country's complex economic and political landscape, including debt issues.

Zimbabwe is a lower-middle income country with a GNI per capita of US\$1,740 in 2023 which places it above the operational cut-off for eligibility for the International Development Association and the African Development Fund. Zimbabwe's external debt has posed a persistent barrier to economic recovery and growth, limiting investment opportunities and access to capital. Zimbabwe is in arrears to the AfDB and other international financial institutions. As of 31st December 2024, its arrears to the AfDB amounted to USD 605,644,150 million, of which 95.6% is on ADB loans and 4.4% on ADF loans.

The economy is natural resource based with agriculture (10%), industry (11%), mining (8%), and services (51%) contributing a total of 80% to GDP in the last decade. During the same period, the

¹ According to the Zimbabwe Country Brief 2024, the Bank is working with the government to explore potential ways to mobilize resources for this compensation.

² Economic sanctions have been imposed on Zimbabwe for over 20 years. They were imposed by the European Union, the United Kingdom and the United States, following violent repression after the 2002 elections, land reforms and poor governance.

country averaged a GDP growth rate of 4.2% excluding 2019 and 2020 when the economy contracted by 6.1% and 7.8% on account of severe drought in 2019 and COVID-19 in 2020.

Arrears clearance and debt resolution process. Efforts to tackle Zimbabwe's fiscal challenges included the Transitional Stabilization Program implemented from September 2018 to December 2020, focusing on fiscal consolidation, economic stabilization, and laying the basis for growth through 2030 (AfDB, 2018a). Although public debt remained unsustainable, with 95.6% being external, the government resumed token payments to international creditors such as the AfDB, EIB, and World Bank in 2019. Economic pressures exacerbated by the COVID-19 pandemic led to a moratorium on debt payments (AfDB, 2021), but the token payment resumed as of quarter 1 in 2021. As of December 2023, the country's total public debt stood at USD 17.69 billion, with external debt accounting for USD 12.69 billion (AfDB, 2024a). The Government of Zimbabwe (GoZ) is continuing its dialogue with its creditors through the AfDB supported structured dialogue platform on arrears clearance.

Zimbabwe's debts include significant arrears and penalties, particularly with the Paris Club and other bilateral creditors, underscoring the urgent need for resolution to prevent further accumulation (AfDB, 2024a). Efforts to manage these debts are supported by technical assistance from the AfDB's Transition Support Facility, aimed at facilitating debt resolution and advising on financial management reforms (AfDB, 2024a). The government has also established structured platforms for dialogue and sector working groups to engage with development partners and stakeholders, enhancing transparency and collaboration in the debt resolution process (AfDB, 2024a). Upon request from President Mnangagwa, the AfDB President is the champion of this process, while the former President of Mozambique Joaquim Chissano is the facilitator (AfDB, 2024a). Recent engagements with the IMF through missions and discussions on a Staff Monitored Program reflect Zimbabwe's commitment to fiscal discipline and economic reform, critical for sustainable development moving forward (AfDB, 2024a).

As noted earlier, Zimbabwe's outstanding debt and arrears to the AfDB totaled USD 605,644,150 million, with the government resuming quarterly token payments and engaging in strategic dialogues to address the debt issues (AfDB, 2024a). Notably, Zimbabwe remains the only RMC of the AfDB currently in arrears to both the ADB and the ADF windows. Zimbabwe began making token payments to the Bank in 2013, following the AfDB Board's approval of the country's eligibility for the Fragile States Facility (FSF) Pillar I resources in 2011. This approval enabled Zimbabwe to access up to 50% of its performance-based allocation, contingent upon the commitment to regularize its debt, including the agreement to continue quarterly token payments toward arrears clearance (AfDB, 2013). To further support Zimbabwe's efforts to resolve its arrears, the AfDB has implemented several initiatives, including the Central Pin Strategy. This strategy is structured around three key pillars: (i) economic reforms, (ii) governance reforms, and (iii) land reform and compensation for former commercial farmers whose properties were seized during the country's land reform program. These efforts aim to facilitate Zimbabwe's long-term debt sustainability and unlock continued support from AfDB resources. .

Governance. Zimbabwe's governance indicators have slightly improved over the evaluation period but remain weak. The Bank's Country Policy and Institutional Assessment³ (CPIA) score for Zimbabwe for the governance cluster improved from 2.11 in 2013 to 3.025 in 2023 (the highest registered so far). The overall CPIA rating was 2.978 in 2023, below the average for Africa, with the economic management cluster scoring the lowest (2.5). The rating remains affected by low scores in transparency, accountability, corruption in the Public Sector, and weakness in public administration. Likewise, Transparency International ranked Zimbabwe 149 out of 180 countries in 2023, with a Corruption Perception Index score of 24/100, although this is an improvement from a score of 23/100 and a ranking of 157/180 countries in 2021. In March 2022, Zimbabwe was removed from the Financial Action Task Force's grey list⁴ and is making progress on strengthening its Anti-Money Laundering and Combating

³ The CPIA is a synthetic indicator for assessing the quality of economic policies and institutions in each country. The AfDB CPIA rating scale evaluates a country's policies and institutional performance, which are crucial for its development and growth. The CPIA assesses countries across several key dimensions: Economic Management, Structural Policies, Social Policies, Public Sector Management and Institutions, and Environmental and Social Sustainability. Each country is rated on a scale from 1 to 6, with 6 being the highest performance. This rating helps the AfDB determine eligibility for concessional financing and guides the Bank's engagement with the country.

⁴ When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often externally referred to as the "grey list".

Financing of Terrorism framework following the implementation of legislative and policy reforms by the government.

Fragility and Resilience. The Country Resilience and Fragility Assessment (CRFA) Report conducted by the AfDB for Zimbabwe in 2020 and updated in 2023⁵ confirmed that Zimbabwe's mutually reinforcing economic, social, and political crises have locked the country in a profound state of fragility. Zimbabwe is classified as a "Category 1" country by the Bank, reflecting high levels of risk and uncertainty. The CRFA identified several areas where fragility pressures were highest across the 7 dimensions of the CRFA. These include (i) increased economic and income inequalities; (ii) weak governance systems; (iii) food and nutrition insecurity; (iv) a challenging macro-economic environment characterized by high debt levels and high inflation; and (v) high levels of informality. These drivers of fragility reinforce underlying factors that limit resilience to shocks, exacerbated by high levels of poverty, weak institutions, and low adaptive capacity to climate change and global shocks. However, Zimbabwe could mitigate its fragility pressures with sound policies while leveraging its abundant natural resources, high literacy rates, human capital, young demography, and infrastructure connectivity in the southern Africa region. The Bank has continued to leverage the country's strengths through its interventions and technical assistance by strengthening institutions including by building resilience to shocks and supporting the private sector.

3. Evaluation Objectives, Scope & Questions

Objectives. The evaluation will serve both accountability and learning purposes. The main objective of this cluster evaluation is to provide evidence on the performance of recent Governance Institutional Support Projects in Zimbabwe. It aims to identify gaps and draw lessons for current and future projects, ensuring the AfDB remains relevant and responsive to Zimbabwe's needs, especially during the ongoing arrears clearance and debt resolution process.

Evaluation Scope: Since 2012, the Bank has been supporting the Government of Zimbabwe in governance and accountability through seven Institutional Support Projects, with a total commitment of UA 39.45 million in grants. This evaluation will focus on these seven projects:

1. Capacity Building for Public Finance and Economic Management Project (Completed);
2. Governance and Institutional Support Project (Completed);
3. Institutional Support for State Enterprise Reform and Delivery Project (Completed);
4. Strengthening Institutions of Transparency and Accountability Project (Completed);
5. Tax and Accountability Enhancement Project (Ongoing);
6. Institutional Support for Governance and Public Finance Management Project (Ongoing);
7. Support for Arrears Clearance and Accountability Enhancement Project (Ongoing); and
8. Institutional Support for State Enterprise Reform Project (Ongoing)

The first four projects are completed, while the remaining four are ongoing, with disbursement rates between 4.47% and 79.71% as of the end of October 2024. The evaluation will be primarily summative, reflecting on the progress and lessons from the last 10 years of implementation. It will also include a formative/ forward-looking dimension, generating lessons and recommendations for future implementation. The criteria of effectiveness and sustainability will not be assessed with the same depth for the ongoing projects as for the completed ones. More details on the proposed projects forming the cluster are available in the annex.

Evaluation Questions: To inform the AfDB's ongoing and future engagement in Zimbabwe, the evaluation will address the following questions:

⁵https://www.afdb.org/sites/default/files/documents/projects-and-operations/zimbabwe_-_country_brief_2021-2023_completion_report_and_country_portfolio_performance_review_cprr_2023.pdf

Criteria	Questions
Relevance	EQ1: To what extent are the objectives and design of Governance Institutional Support Projects in Zimbabwe strategically aligned with the Bank's TYS and the High 5s; responsive to the context and the needs of the recipient country; aligned with other Bank Group policies and strategies; and did they remain responsive over time as circumstances changed?
Coherence	EQ2: To what extent did the Bank's Governance Institutional support interventions demonstrate coherence internally within the Bank and externally with other development partners and the government?
Effectiveness	EQ3: To what extent did the Bank's Governance Institutional Support Projects in Zimbabwe achieve or are they likely to achieve their expected results?
Efficiency	EQ4: How efficiently was the Bank's assistance delivered in terms of timeliness and cost?
Impact	EQ5: What significant positive or negative higher-level effects have the projects generated, and what is the impact of the Institutional Support Program, including what worked and what didn't?
Sustainability	EQ6: To what extent were the activities and results of the projects sustainable or likely to be sustained?
Lessons and recommendations	EQ7: What key lessons can be drawn about what works and does not work, where and under what circumstances? Additionally, what recommendations can be formulated to guide the Bank's ongoing and future engagement in Zimbabwe?

In addition to this set of indicative questions, the evaluation may also cover other pertinent aspects, and the questions might be amended/refined after consultations with the primary stakeholders to inform the detailed approach paper.

4. Evaluation audiences

The primary audience of the evaluation are the Board of Directors through CODE, Senior Management, and the Bank departments, offices and units in charge of designing, implementing and supporting Governance Institutional Support Projects in Zimbabwe. Other key audiences include the Zimbabwean authorities, development partners (particularly those involved in the arrears clearance and debt resolution process) and non-state actors such as the private sector and civil society in Zimbabwe. A stakeholder engagement strategy will be developed during the approach paper stage to indicate the role(s) and interest(s) of stakeholders in the evaluation.

5. Methodology

A cluster evaluation covers two or more related activities, interventions and/or projects that share common characteristics, such as a sector, region or sub region, country, or theme, to draw out findings and lessons that the interventions have in common. This evaluation will be theory-based, and the starting point will be the reconstruction of the Theory of Change (ToC). It will be drawn up based on Bank documentation including selected project background documents and consultation. A theory-based approach will allow an assessment of the extent to which the Bank's Governance Institutional Support interventions taken as a whole, have contributed (or not as the case may be) to the achievement of the expected results and outcomes. This approach will also enable a better articulation of the Bank's rationale for the portfolio of projects and to help in assessing the existing evidence of results at each level of the ToC. A standardized protocol for data collection and analysis will be used to assess the individual selected project. The evaluation will combine both qualitative and quantitative methods (mixed methods).

To better answer the evaluation questions, different sets of instruments shall be deployed. Specifically, the evaluation will use the following data collection methods. The data sources will be comprised of: (i) desk reviews, including a literature/policy review and a portfolio review; (ii) interviews with key

stakeholders both within and outside the Bank; (iii) Focus Group Discussions (FGD) with beneficiaries; (iv) field visits to the project sites to hold discussions with local officials, non-governmental organizations, development partners and a sample of the project beneficiaries and (vi) Other secondary data sources if available e.g. monitoring data. The use of multiple data sources will help triangulate and validate the findings.

6. Quality Assurance, Team and Indicative Timeline

Quality Assurance. The evaluation will integrate effective quality assurance processes and measures to ensure that it is of good quality, reliable and credible, including an Evaluation Reference Group (ERG) nominated by members of the Bank's senior management, and internal and external peer reviewers.

Evaluation team. The evaluation will be led by Boubacar Ly (Principal Evaluation Officer, IDEV1) and Latefa Conè Camara (Senior Evaluation Officer, IDEV1). The evaluation team will be supported by individual consultants. The Internal Peer-review will comprise of Clément Bansé (Chief Evaluation Officer, IDEV1); Leticia Taimo (Senior Evaluation Officer, IDEV2) and Abdulkareem Lawal (Senior Consultant, IDEV.0). Knowledge Management and communications will be led by Jacqueline Nyagahima (Principal Knowledge Management Officer, IDEV 3), Rogers Githinji (Junior Consultant, IDEV 3), and Kate Stoney (Senior Communication Officer, IDEV 3). Overall guidance will be provided by Rufael Fassil, Division Manager, IDEV.1 and Karen Rot-Munstermann, Evaluator General. Henda Ayari, Team Assistant, will provide administrative support.

Indicative timeline: The evaluation started in September 2024 and is scheduled to end in September 2025. The following is the indicative timeline for the next phases of the evaluation.

Milestones	Timeline
Conceptualization (Concept Note)	September/October 2024
TOR/Recruitment of Consultants or firm	November/December 2024
Evaluation Design (Inception Report)	January 2025
Data Collection and Analysis (Field visits/ Background papers)	February – April 2025
Technical Report	June 2025
Draft Summary Report	August 2025
Final Summary Report for Management Response	September 2025

Annex: List of candidate projects selected for the cluster evaluation

#	Code project	Project Name	Sector Name	Sub-sector	Approval year	Signature date	Planned Completion Date	Status	Approved amount - Contract capital (M UA)	Rate of Disbursement as at 1 st August 2024 (SAP)
1	P-ZW-KF0-002	The Capacity Building for Public Finance and Economic Management Project (CBPFEMP)	Multi-sector	Institutional Support	2012	23/01/2013	31/12/2021	Closed	16,12	100
2	P-ZW-KF0-005	The Governance and Institutional Support Project (GISP)	Multi-Sector	Institutional Support	2013	22/01/2014	29/06/2018	Closed	5,2	100
3	P-ZW-KF0-008	The Institutional Support for State Enterprise Reform and Delivery Project (ISSERDP)	Multi-Sector	Institutional Support	2017	28/02/2017	30/05/2023	Closed	3	100
4	P-ZW-KF0-006	The Strengthening Institutional of Transparency and Accountability (SITA)	Multi-Sector	Institutional Support	2015	24/08/2015	30/06/2019	Closed	2	100
5	P-ZW-KF0-012	The Tax and Enhancement of Accountability Project (TAEP)	Multi-Sector	Institutional Support	2019	09/01/2020	31/03/2025	Ongoing	7,6	68,07

#	Code project	Project Name	Sector Name	Sub-sector	Approval year	Signature date	Planned Completion Date	Status	Approved amount - Contract capital (M UA)	Rate of Disbursement as at 1 st August 2024 (SAP)
6	P-ZW-KF0-013	The Institutional Support Project for Governance and Public Finance Management ISPGPFM	Multi-Sector	Institutional Support	2021	01/02/2022	31/12/2024	Ongoing	2,5	38,09
7	P-ZW-KF0-014	Support to Arrears Clearance and Accountability Enhancement (SACAGE) project	Multi-Sector	Institutional Support	2022	06/10/2022	31/12/2025	Ongoing	3	58,42
8	P-ZW-KF0-013	The Institutional Support for State Enterprise Reform Project (ISSERP)	Multi-Sector	Institutional Support	2023	22/11/2023	31/12/2026	Ongoing	4	4,47
	TOTAL								43.45	

References

African Development Bank. Zimbabwe Country Brief 2024-2026. 2023

African Development Bank. Zimbabwe: Board Information Note on Arrears Clearance Debt Resolution Process. 2024

African Development Bank. Zimbabwe Country Brief 2021-2023 Completion Report and Country Portfolio Performance Review (CPPR 2023). 2023

African Development Bank. Zimbabwe Country Brief 2013-2015. 2013