

1372. This will entail review of Statutory Instrument 141 of 1997, governing the National Joint Negotiating Council processes, as well as Statutory Instrument 45 of 1998, governing the recognition of Staff Associations.
1373. Members of the collective bargaining process will be trained on negotiating skills and in the other areas provided for in the Labour Act, that way ensuring industrial harmony and enhanced social dialogue under Public Service Labour laws and in line with ILO standards.
1374. Review of the Public Service Code of Conduct and the related Statutes will also be undertaken to ensure accountability, integrity and professionalism in the Service.

Mainstreaming HIV/AIDS

1375. Central to minimising further losses of the limited skilled personnel will be mainstreaming of HIV and AIDS programmes across all work places throughout the country, including Government Ministries and Departments.
1376. In this regard, over and above other initiatives to combat the spread of HIV/AIDS, employers will be required to undertake capacity development of focal persons, including peer counselling training.

GENDER

Gender Mainstreaming

1377. Government has been making progressive efforts in ensuring that all national policies, programmes and Budgets are gender sensitive in their design and implementation, that way promoting gender equity in the economy.
1378. In support of this policy stance, a National Gender Policy was established, supported by a number of legal instruments.
1379. However, recent socio-economic developments require that the policy be reviewed under this Framework in order to mainstream and institutionalise all gender issues into National policies and programmes, including planning and budgeting processes in both the public and private sectors.
1380. The strategy to ensure successful mainstreaming of gender issues will entail capacity building and developing a comprehensive system of capturing gender statistics to inform the policy review process and subsequent programme planning.
1381. Similarly, the revised National Gender Policy will be translated into all vernacular languages and awareness campaigns

launched throughout the country in order to ensure that the Policy is well understood by the general public.

Gender Law

1382. Engendering the Constitution making process and outcome is a central dimension of the democratisation agenda and key to incorporating women's rights into the new Constitution as well as guaranteeing social and economic rights of women.
1383. Government will, therefore, ensure that women groups are fully engaged and participate in the on-going Constitutional Review Process in order to ensure that women's rights and the principle of equity are guaranteed in the new Constitution.
1384. With regards to family laws, awareness campaigns will be intensified in order to ensure increased legal literacy in communities.

Gender Based Violence

1385. Prevalence of gender based violence remains at high levels in the country, impacting negatively, particularly on women and children, in terms of moral, economic image and dignity.

1386. This also compromises the strength and moral fabrics upon which families and economic foundations are anchored.
1387. In this regard, awareness campaigns on the existing Domestic Violence Act and gender based violence in general will be raised through supporting activities of the Anti-Domestic Violence Council and other information dissemination programmes including workshops covering local communities.
1388. A database and inventory for gender based violence service providers will also be established as part of information dissemination for reducing gender violence.

Women in Politics & Decision Making

1389. The Framework also prioritises capacity building of Parliamentarians on gender mainstreaming, gender budgeting, and fighting gender based violence as a way of empowering women through participation in decision making positions in politics and other socio-economic areas.
1390. This is in line with the SADC Protocol on Gender and Development which was ratified on 22 October 2009. The Protocol seeks, among other things, to ensure that at least

50% of political and decision making positions are held by women by 2015.

Women in Development

1391. During the Framework period, Government will strive to advance the participation of women in the productive sectors of agriculture, mining, tourism, manufacturing, construction, among other businesses.
1392. In agriculture, the objective will be to support maximum participation and empowerment of women through the Land Reform Programme and adequate financing in order to ensure food security at both household and national level. This is also critical given the immense contribution of women in agriculture.
1393. In other productive sectors such as mining, tourism, manufacturing and construction, the strategy is to ensure increased participation of women also as part of the empowerment policy.
1394. In this regard, Government will support a number of programmes targeted at empowering women to enhance their

participation in productive and other income generating projects, thereby improving incomes at household level and, hence, poverty reduction as well as overall economic growth and development.

1395. Therefore, a Women's Council and Women's Bank will be established to facilitate access to loans by women businesses to ensure adequate funding of projects that seek to empower women.

1396. These will be complemented by the re-capitalisation of the existing Women's Development Funds, including SEDCO, which traditionally has strongly supported women's projects.

Community Development

1397. Furthermore, programmes will be instituted with regards to community development and economic empowerment, as well as co-ordination of development partners.

1398. These will centre on project management training, and mobilising communities to support food security at household level by engaging in production of agricultural crops through 295 community gardens established in the country's 59 rural districts.

1399. The necessary skills and capacity building to facilitate and impart entrepreneurial development skills to communities will be developed, also at the relevant Ministry's two training centres.
1400. Programmes for urban community development will also be undertaken for women's economic empowerment through already existing Ministry structures in urban areas.

INDIGENISATION & ECONOMIC EMPOWERMENT

1401. Sustainable and equitable national development can only be achieved if the majority of the people are dominant players in the economy.
1402. Consistent with policies in other countries in the region and beyond, Government has put in place Empowerment legislation as a way of ensuring equitable participation of indigenous people in the formal economic sectors.
1403. It is, therefore, critical that any development strategy adopted by Government embraces the majority as key drivers of political, economic and social activities in the country.

1404. The implementation of policies and programmes for empowerment will, however, take cognisance of the necessity of attracting the much needed foreign investment.
1405. This is especially so in such sectors as mining, where exploration and extraction investments are capital intensive in nature, and the attendant foreign exchange expenditure outlays are large.

Indigenisation & Empowerment

1406. Zimbabwe like any other developing country is faced with the task of enhancing opportunities for the majority of its people in order for them to fully participate in the mainstream of the economy, that way addressing challenges associated with the youth unemployment and poverty.
1407. Under this Framework, the indigenisation and empowerment agenda, designed to guarantee equal opportunities to all indigenous citizens and special interest groups like youth, women and the disabled, will be given priority.
1408. The broad empowerment strategy will require rapid growth and expansion of the economic base, which in turn creates greater downstream opportunities for all.

1409. Government will also embark on canvassing institutional investor and co-operating partners' support for direct participation in indigenisation programmes and providing capital for the National Indigenisation and Economic Empowerment Fund.
1410. In addition, co-ordination with Public Private Partnership initiatives to finance empowerment programmes through BOT, joint venture and concession structures will be strengthened.

Youth Programming

1411. In order to provide a guiding framework for the implementation and management of youth development programmes, Government will review the current National Youth Policy.
1412. This will result in a revised National Youth Policy and National Action Plan on youth development, consistent with provisions of the Global Political Agreement.
1413. The new policy will promote research and development in support of the needs of youth programmes, develop a youth database system, enhance capacity building and facilitate engagement of the youth in food security and livelihood projects at community levels.

1414. It will also establish youth networking structures and promote strategic alliances and their participation in other regional and international youth exchange programmes, that way strengthening and enriching the local programme.

Youth Skills Training & Development

1415. In order to increase the youth skills base and mainstream quality assurance through vocational training programmes and facilitate revenue generation by vocational training centres, Government will identify a number of training centres for self sustenance.
1416. This will bring on board interested private players to capacitate these centres with the requisite training personnel, infrastructure and equipment through PPPs arrangements.
1417. All vocational training centres will be transformed into single, vibrant and well equipped enterprise development institutions, owned and financed jointly by Government and private sector investors and managed under a comprehensive training and development charter and manned by highly qualified and experienced lecturers, tutors and administrators.

1418. Accordingly, the vocational skills training policy will be reviewed consistent with the above commercialisation policy thrust.

1419. In support of the marginalised youth, the on-going Youth Employment Support for jobs for the Marginalised People project, funded by the ILO, will be strengthened and implemented in support of respective youth income generating projects in a number of districts.

National Youth Service

1420. Furthermore, as provided for under Article 15 of the GPA, the Inclusive Government will review and strengthen the National Youth Service training programme, focusing on enhancing youth participation in Peace and Nation building programmes.

Zimbabwe Youth Council

1421. The Zimbabwe Youth Council is the advocacy arm of youth associations and facilitates youth leadership and development programmes. The Council lacks strong linkages with local, provincial and district associations, owing to its centralised structures.

1422. Government will, therefore, decentralise and capacitate the Youth Council to enable it to promote outreach programmes throughout the country and at local levels.

African Youth Charter

1423. Zimbabwe, as a member of the African Union, recently ratified the African Youth Charter, which is the policy framework that prescribes youth development strategies, including fostering of youth exchange programmes.
1424. The Charter will, therefore, be promoted and disseminated throughout the country, as part of the youth development programme.

ACCOUNTABILITY

Corruption

1425. The Framework recognises that economic hardships prevailing in the country, coupled with entrenched remnants of the previous culture of controls, have nurtured indiscipline and rising corruption across various sectors of industry and the public sector.

1426. In this environment, commitment to transparency is compromised, resulting in widespread under-hand dealings, moon lighting, and abuse of resources by both those in need as well as the relatively well off.
1427. While the poor attempt to mitigate low remuneration levels and poor general conditions of living, the well connected often cash in on all arising opportunities for rent seeking and arbitrage.

Integrity & Accountability

1428. In this regard, measures to enhance integrity and accountability will be central to the successful implementation of economic reforms during the Framework period.
1429. Within the public sector, while systems and procedures for accountability, monitoring, evaluation and proper utilisation of public resources are in place, implementation, supervision and enforcement of compliance have tended to lag behind.
1430. Efforts on ensuring proper, transparent, efficient and effective application and utilisation of public resources can only be

possible through a number of interventions that create commitment, accountability and a culture of service delivery. Similarly, initiatives to enforce ethical business practices and behaviour in the private sector will be necessary.

1431. Focus will be on combating corruption, economic crimes, theft, misappropriation, abuse of office and other improprieties in the conduct of affairs, both in the private and public sectors. Susceptible areas will be particularly targeted for curbing and plugging loopholes that present opportunities for corruption.
1432. In this regard, systems audits, and reviews of operating procedures and processes in all susceptible areas will be instituted during the Framework period to improve accountability, transparency, efficiency, effectiveness and promotion of good corporate governance.
1433. Systems review audits will support increased revenue inflows to Government, arrest/curb fiscal indiscipline by State institutions, stop financial haemorrhage and over-reliance on the fiscus by state enterprises, and increase accountability in institutions.

Decentralisation

1434. In this regard, the Anti Corruption Commission will decentralise from Harare, establishing offices in Bulawayo, Gweru, Masvingo and Mutare. This will improve impact, visibility and access by the public.
1435. Furthermore, the presence of the Commission will also be introduced at all the country's entry and exit points to plug leakages in State revenue collection systems, deal with contraband, and other improprieties.

Anti-Corruption Capacity

1436. The institutional capacity of the Anti-Corruption Commission, as well as that of other law enforcement organisations, will be enhanced in support of improved efficiency and effectiveness, consistent with similar agencies in the SADC region.
1437. This will include review of docket management systems, which are currently manual and, therefore, often unsecure.

Economic Crimes Courts

1438. The support for the anti-corruption drive during the Framework period will include introduction of programmes for witness protection and establishment of Economic Crimes Courts in Bulawayo, Gweru, Masvingo and Mutare.

Supportive Policy Measures

1439. Framework measures will also address the issues of internal controls within Government Ministries, good corporate governance, and strict adherence to Budget provisions.
1440. This will entail regular and systematic reviews of controls, procedures and systems at all of the country's Border Posts and Ports of entry.
1441. Improved accountability and reduction of abuse, misuse and underutilisation/deployment of public resources will also require changing management systems and practices.
1442. Review of working conditions at the various levels of the public service will assist reduce reliance on public resources for personal use and sustenance.

1443. Separation of powers between Government and Political Parties' officials in the utilisation and deployment of public resources will also be enforced.
1444. Furthermore, central to keeping the lid on corruption will be maintenance of business policies and practices that eliminate opportunities for arbitrage and rent seeking behaviour, such as black marketing, racketeering and smuggling.
1445. Other policy intervention areas include review of procurement procedures and systems in the public sector.

Outreach & Advocacy

1446. Control measures to enhance integrity, accountability, and that way preventing improprieties, will include broader stakeholder participation in anti-corruption awareness outreach and advocacy programmes.
1447. The necessary publicity and education campaigns through media channels will be undertaken.
1448. These will be complemented by development of corruption prevention guides, as well as introduction of asset declaration requirements for all public officials.

1449. Furthermore, National corporate governance codes for both the public and private sectors will also be established.

1450. To broaden awareness outreach and advocacy programmes, ethics and prevention of corruption will be mainstreamed into the school curriculum by the end of the Framework period.

DEFENCE & SECURITY

1451. The Framework recognises the constitutional mandate of the defence and security forces to defend the country's sovereignty, territorial integrity and national interests, as well as also contribute to international peace and stability.

1452. Furthermore, the defence and security forces also have a secondary role of providing support to civil Ministries and authorities in the execution of their duties.

1453. By their nature, the defence and security forces require the necessary equipment and facilities to ensure effective execution of their mandates, as well as other logistical requirements, institutional accommodation and other facilities within the cantonment areas.

1454. The defence and security forces also carry out various training programmes in the various trades at the core of the country's defence and security.
1455. However, over the years, obsolescence, wear and tear as well as accidents have taken their toll on equipment and facilities.
1456. Resource constraints have also stalled and in some cases led to the suspension of various critical defence and security programmes, particularly in construction and maintenance of institutional facilities including accommodation, acquisition and maintenance of equipment, training facilities and rations for the uniformed personnel.
1457. The need to re-equip, refurbish and upgrade facilities and hardware, therefore, remains necessary.
1458. In this regard, the Framework contains projects and programmes to enable the defence and security departments to effectively carry out their primary and secondary roles in a conducive environment.

Training, Equipment & Facilities Maintenance

1459. Provision of resources will be necessary to ensure maintenance of existing equipment and facilities, and support of the training and development programmes of the defence and security forces.
1460. Furthermore, support will also be extended to the re-equipment, upgrading and refurbishment of existing equipment and facilities as part of routine maintenance and technological advancement of equipment and other facilities of the defence and security forces.
1461. Given that Budgetary constraints preclude Government to embark on most projects within fiscal year 2010, implementation on a number of capital projects will, therefore, be on the basis of roll-overs into fiscal years 2011 and 2012.
1462. This will include mandatory and standard maintenance of equipment, construction works of institutional accommodation and other facilities, as well as rehabilitation of physical infrastructure, including water reticulation and sewerage treatment plants.

Research & Development

1463. Government, in collaboration with local industry, will endeavour to reduce dependence on external suppliers for spare parts for equipment on inventory through research and development.

Projects

1464. As part of supplementing fiscal allocations for rations and ensuring food security within the uniformed forces, some agriculture projects will be undertaken within the cantonment areas.

Civil Support

1465. The defence and security forces will, during the Framework period, continue demining activities in the Border areas as part of their civil support, critical for enhancing farming and tourist activities in the country.
1466. Furthermore, support and assistance will be given to communities and local authorities during such emergencies and disasters as floods, calamities and major accidents.

RIGHTS & INTERESTS

MEDIA

1467. STERP recognised that the Media is at the heart of public information and national mobilisation efforts necessary for the success of the country's economic recovery programmes.
1468. In this regard, as part of the Rights and Interests Cluster, it is itself both a focus and an enabler of the whole political and constitutional thrust envisaged under the GPA.
1469. As an industry, the media also has potential for growth, with immense opportunities for employment creation.
1470. Framework interventions for the three years 2010 – 2012 seek to pursue a three-tier policy implementation thrust, which is:
- Meeting the SADC Broadcast Digitalisation Target of 2015;
 - Achieving Universal Access to Information;
 - Overcoming the Rural-Urban Information Divide through affirmative interventions in the rural sector.

Broadcast Digitalisation

1471. The whole of SADC is expected to have completed migration from the anachronistic analogue system to the new and more efficient digital one by 2015.
1472. In terms of implementation, central will be investment into the digitalisation of Broadcast Studios and the National Transmission Network.
1473. The overall impact and outcome is greater efficiency in broadcasting, a cleaner signal, greater interface between and among media, and more importantly, a stronger and expanded basis for liberalisation of the airwaves and greater diversity of broadcast services, both envisaged under the Broadcast Services Act and the GPA.
1474. Presently, the broadcast system is an uneasy patchwork of old analogue infrastructure and half-hearted digital components, whose result is at best inefficient and at worst dysfunctional.
1475. The state of the national broadcast system worsens by the day, severely undermining the principle of universal access to information, itself a human right.

Universal Access to Broadcast Services

1476. The Constitution enshrines citizens' rights to receive and impart information.
1477. Bringing information within reach of the citizenry requires investments in information dispensing platforms that allow citizens access to information as well as impart it.
1478. In Zimbabwe, however, this constitutionally and universally recognised right to information has been undermined over the years by absence of investment in platforms for information dispensing. This is more apparent in the area of broadcasting, where the last marginal investment was for transmitters in 1983 and for studios in 1986.
1479. The limited services inherited at Independence have been dwindling progressively for want of investment. This has meant that Zimbabwe continues to lean and rely on the obsolete infrastructure and technology which was meant for a much smaller community.
1480. Hence, at a time of great expansion in global broadcast services, presently a mere 20% of the population can access

the country's television services, while slightly over 40% can get radio signal.

1481. There are also areas which historically have never been brought within the fold of the national information network, areas lying in border areas of the country.

1482. Hence, to ensure the realisation of the goal of universal access, Government will undertake the following:

- Repair existing transmitter infrastructure to optimise its output within existing technological constraints;
Transform existing sites technologically through a phased migration to more efficient and cleaner digital technology;
- Expand the transmitter network to cover all areas of the country including those historically marginalised;
- Increase capacity for handling broadcast services beyond the existing ones to liberalise the airwaves and expand services;
- Linked to this envisaged expansion of services are investments in technical instruments for regulating and enforcing standards;
- Ensure industrial plants that manufacture easy to acquire receivers (radios and television sets) for greater reach;

- Boosting news gathering capacity to ensure communities are covered, informed and heard on national platforms.

The Rural-Urban Divide

1483. The Framework also seeks to address the communication peculiarities of rural areas which house well over 60% of the national population, predominantly agricultural communities which have never been well served by national communication systems.
1484. Effectively serving rural communities requires targeted and flexible communication platforms, with the listening and watching schedules structured around rural chores.
1485. Furthermore, the information requirements will be linked to the local economies which sustain these communities, while the medium of the information required will be local, principally by mode and language given that these are predominantly oral communities operating in local languages.
1486. The strategy to address the information gap arising from the Urban-focus, scope and thrust of the present communication service will include investments in rural-based and conditioned information platforms.

Rural Mobile Unit Services

1487. Informational and cultural needs of given communities will be provided by Rural Mobile Unit Services in their respective language and dialect. This will be through motorised screening show units based in rural communities and dispensing information through night shows.
1488. The Units, which are a combination of vehicles, video screening units, cameras for capturing local activities and editing equipment for creating appropriate content, will be deployed in each district for them to be effective.

Information Kiosks & Huts

1489. Information Kiosks or Information Huts, which are stationary multimedia rural information centres sited in communities and housed in infrastructure which blends with communities, will also be introduced.
1490. Supervised by district information officers and managed by communities, these huts or kiosks will have broadcast receivers, small libraries, internet connectivity, telephone services and paper-based take-away material for use by communities.

1491. Community meeting points where educational meetings can be held after video screenings will also be introduced, under a phased programme targeting the set up of at least one unit in every district on a pilot basis.

Community Radio Stations

1492. The Broadcast Services Act envisages introduction of community radio stations.
1493. This service, which offers the quickest way of closing the information gap in rural areas and empowering historically marginalised communities, has been stalled by absence of infrastructure.
1494. However, this is a programme which entails significant outlays to put in place studios, small transmitter units and personnel in charge of these radios which at law are required to be non-commercial and narrowcasting.

CONSTITUTION MAKING PROCESS

1495. While the Constitutional making process has commenced, the pace at which the outreach and consultation programmes has been carried out remained slow.

1496. So far, capacity building programmes have been undertaken in Bulawayo, Harare and Gweru. These programmes are still in progress, and are yet to be conducted in Mashonaland East, Central, West and Manicaland Provinces.
1497. Hence, the first challenge for the Framework is to address the constraints to the Constitution Making process, which have included lack of financial and material resources.
1498. Targets for the Framework beyond outreach and consultation programmes in the Provinces include drafting and tabling before Parliament of the Draft Constitution by June 2010.
1499. This will enable the holding of the Stakeholder Conference during the last half of 2010, after which the holding of a Referendum can be undertaken.

FINANCING REQUIREMENTS

1500. The above Framework programmes, some of which are to consolidate STERP and include critical public infrastructure, public health, education and social protection, require huge financial resources after years of under-investment.

1501. While the overall critical financial requirements for the economy to recover to 1997 GDP levels translate to over US\$45 billion, estimates for the three year Framework period, which take account of absorptive capacity, indicate requirements of some US\$20-30 billion.
1502. Notwithstanding the reality that a substantial amount of funding for the Framework would require the support of co-operating partners, STERP acknowledged that Zimbabwe also needs to increase internal capacity to finance its economic recovery.

DOMESTIC FINANCING

1503. Therefore, it will be critical that the country intensifies efforts to generate more domestic resources towards meeting some of the requirements for sustaining macro-economic stabilisation and growth, with external inflows complementing this.
1504. Sources of domestic financing include budget revenues, cost recovery, domestic financial sector savings, as well as greater engagement of financial support through public private partnerships.

Domestic Savings

1505. Savings mobilisation through the domestic financial system can, given the right incentives to savers, generate an estimated US\$4-6 billion over the Framework period. This for both the bank and non-bank financial sectors.

Budget Financing

1506. Given that most STERP critical programmes and projects have remained unfunded, Government will undertake an in-depth review of taxation and other revenue sources, with a view of broadening the Budget revenue base to raise an estimated US\$5-7 billion over 2010 – 2012.
1507. Hence, under this Framework, Treasury will strengthen revenue collection and administration arrangements within ZIMRA and other Government Departments.
1508. As part of the revenue enhancement measures, ZIMRA will intensify public awareness programmes on tax rules and regulations in order to enhance compliance.
1509. The implementation of the already approved land tax by Rural District Councils as a way of broadening the revenue base

will also be critical under the Framework in order to raise resources for improving rural infrastructure, particularly roads.

Public Private Partnerships

- 1510. Government acknowledges that the Budget cannot sustain the cost of infrastructural development and economic turnaround without the full participation of the private sector.
- 1511. This comes in the wake of realisation of the potential and the feasibility of public private partnerships (PPPs) in Zimbabwe, given the full liberalisation and stabilisation of the economy under STERP. As outlined in the sectoral presentations, the menu of suitable projects is available.
- 1512. Private sector participation and commitment to raise an estimated US\$1-2 billion during 2010 – 2012 through PPPs is, however, contingent upon guarantees and confidence over ability to recoup costs, operate viably, retain project ownership and avoidance of premature termination of projects, among other fears.
- 1513. Fears are also abound over the sustainability of the prevailing momentum for economic liberalism and political stability,

developments which have lowered the country risk profile for both private domestic and foreign investors.

Legal Framework

- 1514. Hence, central to private sector participation will be the need to overcome structural, policy and legal framework deficiencies hindering PPP investments.
- 1515. Design of the appropriate institutional, policy and legal framework to deal with all the above concerns will also draw from the lessons of the experiences with PPP investments in other countries.
- 1516. The consistency and predictability of the policy environment, as well as some certainty regarding the political landscape will also be important.

Experiences

- 1517. Other countries' experiences have confirmed that lack of clear policy and legislative frameworks on PPPs had posed major challenges for such projects in the region.

1518. Similarly, local implementation of three major PPP projects, namely the Bulawayo-Beitbridge Railway, the New Limpopo Bridge and City of Harare's Newlands By-Pass, also provides valuable lessons that should help shape future policy and legislative framework for PPPs in Zimbabwe.
1519. Lessons from both regional and local experiences with PPPs include levels of tariffs levied by operators, failure by some of the expected beneficiaries to afford envisaged services, as well as misgivings over quality of equipment used in some projects by operators, and maintenance of the infrastructure developed under PPP projects.

Systems & Reforms

1520. Against this background, the operative regime governing PPPs in Zimbabwe will also provide for checks and balances in the operations of projects, with binding agreements in place to protect both investors and public interests and drawing lessons from countries with longer histories of PPPs.
1521. This will be complemented by the strengthening of key public institutions, particularly those overseeing operations of PPPs, investment activities and other processes to encourage PPP investments.

EXTERNAL FINANCIAL SUPPORT

1522. As already alluded to, the large scale of financial resource requirement for Zimbabwe's economic recovery and supporting the critical areas of agriculture, infrastructure and social sectors is such that international financial support to the tune of US\$7.5-10 billion during 2010 – 2012 will be necessary. This will be through a combination of loans and grants.
1523. This is particularly so against the background of the prevailing domestic economic challenges.
1524. Hence, the Framework also recognises the role of the support by co-operating partners in meeting some of the shortfalls inherent in the financing requirements of the economy's turnaround efforts over the period 2010 – 2012.
1525. This is, however, against the background of the negative impact of the global financial crisis on economies of co-operating partners which, among other factors, militated against mobilising adequate external resources in support of STERP.
1526. Meaningful development co-operating partner financial support will, however, be subject to Zimbabwe meeting certain

conditions, including sustaining an environment conducive to increased domestic and foreign investment.

1527. A key conditionality for unlocking new financing of around US\$7.5-10 billion during 2010 – 2012 from both bilateral and multilateral development co-operating partners evolves around the development of a Debt Relief and Arrears Clearance Strategy for the country's external debt overhang⁸ of US\$5.4 billion, of which US\$3.8 billion is in arrears.

Co-ordination of External Support

1528. The support of the different co-operating partners would have to be aligned to the Government's Framework channels, priorities and strategies. This requires effective co-ordination and management.
1529. The benefits to be derived from such co-ordination include:
- Allowing opportunity for engagement of national processes of planning development assistance so that it supports National goals;
 - Avoidance of duplication and overlapping efforts;
 - Dealing with the challenges of integrating co-operating partner support into recipient institutions;

⁸See Table 5: External Debt Including Arrears

- Enabling better accounting for funds received;
- Effective delivery of development assistance vis-à-vis national development targets.

1530. Co-ordination of co-operating partner support also reaffirms Government's ownership and leadership of development co-operation management processes, based on principles of mutual accountability.

1531. The administrative structures for the co-ordination, management and harmonisation of inflows of external financial support into the country are a critical factor in ensuring accountability, effectiveness and efficient utilisation of donor resources.

Legal & Regulatory Framework

1532. The institutional, legal and regulatory framework, upon which co-operating partners support is co-ordinated and managed includes the Constitution of Zimbabwe, the Audit and Exchequer Act which is being repealed by the Public Finance Management Act, Aid Co-ordination Policy, Cabinet and Treasury circulars and Statutory Instruments which are issued from time to time.

1533. To ensure conformity with the Constitution and laws of Zimbabwe as well as its international obligations, the Attorney General's Office provides the legal oversight role.

Treasury

1534. These Statutes and administrative arrangements grant Treasury the responsibility for sourcing funds from co-operating partners in support of programmes and projects which cannot be financed through Government budgetary allocations.
1535. In this regard, Treasury, as the custodian of all public funds, is mandated through standing rules, regulations and procedures to be the entry point of all official aid inflows.
1536. This allows for transparent accounting and management of all external financial support as well as alignment with Zimbabwe's National budgetary process, which enshrines the country's annual priorities in terms of economic policies, programmes and projects.
1537. Consequently, all financial commitments by donors to all Government entities will be finalised with Treasury's concurrence and approval.

1538. This includes a pivotal role in negotiating, receiving, accounting, managing and administering all donor funds.

Implementing Ministries

1539. The above Statutes and administrative arrangements also guide line Ministries, who have responsibility for implementing projects or programmes funded by co-operating partners, on procedures for interface with donors.
1540. This includes informal negotiations with co-operating partners ready to support a programme or project, with responsibility for formal negotiations and conclusion of financial commitments assigned to Treasury.
1541. Hence, line Ministries will limit their roles to the technical aspects of the projects/programmes and their implementation.

Non-Governmental Organisations (NGOs)

1542. Government recognises the important and diverse roles played by both local and international NGOs in service delivery as implementing agencies of co-operating partners at provincial and district levels.

1543. In order to ensure better co-ordination and avoid duplication in the use of resources, NGOs delivering services will be required to provide, in conjunction with line Ministries, concise and timely information on all such activities to Treasury.

Aid Co-ordination Unit

1544. Treasury is setting up a dedicated Aid Co-ordination Unit with a view to strengthen and buttress aid co-ordination and management in Government.
1545. The Aid Co-ordination Unit shall primarily be responsible for, among other things, production of consolidated reports on all co-operating partners' support, monitoring and reporting on project compliance with Government development priorities.
1546. The Unit, which should be operational by end of March 2010, will be equipped with a dedicated staff with a comprehensive understanding and technical know-how of external resource management processes which will enable them to perform their duties efficiently and effectively.

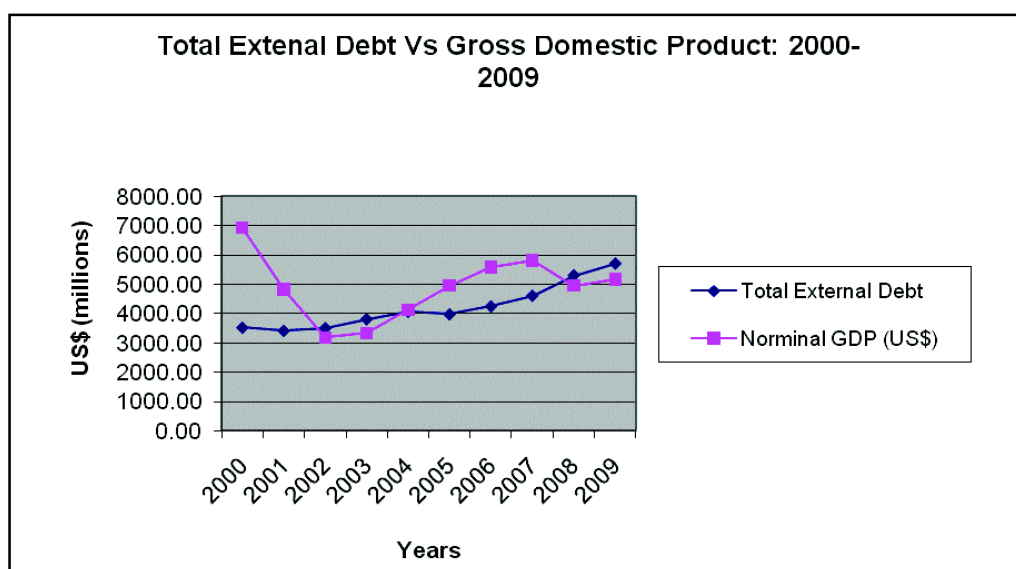
Aid Management & Procedures Manual

1547. In order to effectively implement the Aid Co-ordination Policy, Treasury is developing an Aid Management and Procedures Manual.

1548. The Manual will lay the procedures and guidelines to be followed by both Government and co-operating partners in the delivery of external support.
1549. It will also set out principles and procedures which Government and co-operating partners will adhere to, for enhanced coherence, alignment, harmonisation, ownership and mutual accountability in the use of external resources.
1550. These mechanisms, together with the improved Public Finance Management System, will lay a robust aid architecture and operational framework that will greatly improve accountability, transparency and efficiency in the management of public resources.

EXTERNAL DEBT & ARREARS CLEARANCE STRATEGY

1551. The strategy to unlock meaningful external financial support involves the engagement of co-operating partners, including the IMF, the ADB and the World Bank, to support Zimbabwe's development of an appropriate Debt Relief and Arrears Clearance Strategy.
1552. The Strategy gives possible options available to the country for resolving the external debt arrears problem, the processes required for implementing these options as well as setting the basis for a Comprehensive Debt Strategy and Policy.



1553. Possible options include use of internal revenue resources for clearing the debt, mortgaging of mineral resources as the basis for debt rescheduling and gradual clearance, seeking bilateral debt restructuring from the Paris Club and going through the Highly Indebted Poor Country (HIPC) route for debt forgiveness.
1554. However, given the low GDP as projected above, an appropriate debt strategy that takes cognisance of the country's capacity and which does not crowd out investment necessary for the required growth is desirable.
1555. Government, in co-operation with major creditors will, therefore, undertake in-depth studies on the various options at its disposal to come up with a sustainable Debt Management

and Clearance solution which balances the interests of the country and its creditors.

External Debt Technical Assistance

1556. Government has already undertaken initial efforts towards the development of a Debt Relief and Arrears Clearance Strategy with the support of the African Development Bank, which assisted with the engagement of a Debt Consultant.
1557. The country has also received financial and technical assistance from the UK's Department for International Development (DFID) and the Macro-economic and Financial Management Institute of Eastern and Southern Africa (MEFMI) amongst others. This was in the areas of debt management and debt sustainability analysis.

Debt Validation

1558. Furthermore, as a procedural and integral step towards formulating the Debt and Arrears Strategy and consistent with international best practice, Government has formally approached all creditors to reconcile and validate the country's debt profile.

1559. This will culminate in a more precise and comprehensive face-to-face debt reconciliation exercise with creditors, on a loan-by-loan basis, to address discrepancies that may arise on the debt stock, arrears and debt service terms.

Debt Management Office

1560. During the Framework period, Government will set up a Debt Management Office mandated to mobilise resources, undertake debt management and risk analysis as well as undertake settlements and manage the debt information system.
1561. Meanwhile, Government will continue to work in collaboration with all co-operating partners to build institutional capacity within the existing external debt management structures.

FOREIGN INVESTMENT

1562. Given the Framework financing shortfalls, it will be necessary that additional external financial capital be mobilised through a combination of foreign direct and portfolio investment, targeted to raise over US\$2.5 billion during 2010 – 2012.
1563. The globalised economic environment demands that economies remain competitive for attraction of meaningful capital from global financial markets.

1564. Hence, central to attracting external savings and investment will be the enhancement of the country's competitiveness, both as a destination for foreign investment and a competitive global supplier of low cost products.
1565. Government will, therefore, foster a sound investment climate as part of the measures to be implemented under this Framework.
1566. This will entail putting in place policies that enhance productivity, underpinned by consistent implementation of sound economic policies that sustain strong fundamentals, necessary for economic growth and development.

BIPPAs

1567. In order to give comfort and security of investments to potential investors, Government will resolve all outstanding issues related to Bilateral Investment Promotion and Protection Agreements (BIPPAs), whilst expediting negotiations with new partners.
1568. Furthermore, Zimbabwe will honour its obligations and commitments to international investors. This is also consistent with its obligations to a number of international agreements,

such as the SADC Finance and Investment Protocol, to which Zimbabwe is signatory.

- 1569. Zimbabwe also acceded to the International Convention on Settlement of Investment Disputes, New York Convention on the Enforcement of Foreign Arbitral Awards and the UN's Convention on International Trade Law.
- 1570. Furthermore, Zimbabwe is a signatory to the Multilateral Investment Guarantee Agency, and the Overseas Private Investment Corporation.

Investment Promotion

- 1571. The Zimbabwe Investment Authority will also be capacitated to efficiently promote investment opportunities in the country and timeously respond to investment enquiries.
- 1572. The Authority will also review the current investment promotion framework with a view of streamlining and simplifying requirements.
- 1573. This will enable the Zimbabwe Investment Authority to speed up the processing of applications and other investment requirements.

Non-Resident Zimbabweans

1574. Government recognises the central role that non-resident Zimbabweans, who remitted US\$159.1 million through Money Transfer Agencies over the period January to October 2009, can play in the reconstruction of the country.
1575. The Framework will, hence, also tap into investment opportunities offered by the country's non-resident nationals, as part of the process to ensure their meaningful and co-ordinated contribution to the country's economic development.
1576. In this regard, Government will develop, in conjunction with associations of non-resident Zimbabweans, an appropriate remittance framework linked to investment opportunities, that way guiding potential investments.
1577. With regards to facilitating the welfare of non-resident nationals, Government will initiate bilateral arrangements with the countries hosting them.

MONITORING & EVALUATION

DATA COLLECTION

1578. The Framework recognises that adequate and timely availability of statistics is important for evidence based decision

making and policy formulation, planning, monitoring and evaluation of policies and programmes.

1579. The centrality of statistics notwithstanding, the Central Statistical Office (CSO) has not been able to carry out its mandate of provision of accurate and up to date data.

Challenges

1580. Chief among the challenges undermining the capacity of the CSO to effectively execute its mandate are the following:

- Inadequate financial and material resources;
- Infrastructural and logistical problems related to inadequate vehicles, office space and ICT connectivity;
- High critical staff turnover and, therefore, weak internal business processes; and
- Poor survey response rates.

Interventions

1581. Framework measures to address the above challenges include programmes to adequately equip the CSO with the requisite financial, material and human resources.

1582. Government will, therefore, prioritise the requirements of the CSO in the national budgeting process, including the engagement of co-operating partners with regards to securing wider technical and financial support.
1583. Furthermore, Government will operationalise the New Statistics Act, whose development has benefitted from the support of such co-operating partners as the African Capacity Building Foundation and the ADB.
1584. This will also offer opportunity for introduction of a new organisational structure and review of conditions of service, targeted at addressing human resources capacity building as well as the problems of staff retention.
1585. The development of the National Statistical System, including its stakeholder sub-committees, as provided for in the new Act, will address the problem of lack of collaboration among the System's members.

MONITORING & EVALUATION

1586. The realisation of the targeted results under this Framework will not be attainable in the absence of effective systems and processes for accountability and monitoring.

1587. Hence, the Framework has an in-built monitoring and evaluation system, which will require deepening, to ensure tracking, reporting and episodic assessment of performance during the implementation period.
1588. Through the Integrated Results Based Management approach, reforms and capacity building in the areas of Integrated Development Planning, Results Based Budgeting, Personnel Performance Systems, e-Government and Monitoring and Evaluation/Management Information Systems will, therefore, be pursued.
1589. The cornerstone of this system is its strong focus on linkages between policymaking, resource allocation and performance.
1590. Hence, the Office of the President and Cabinet, including that of the Prime Minister, will be capacitated to facilitate the co-ordination of the systems and processes of Government policy formulation and implementation.

CONCLUSION

1591. The preparation and formulation of this Framework is a result of full engagement and wide consultations with various stakeholders and as such is a national product seeking to

guide and sustain the on-going efforts for economic recovery and growth.

1592. It provides a broader scope for implementing the unfinished agenda in STERP as well as other critical policy measures, programmes and projects which, if effectively implemented, can sustainably turn around this economy and, hence, enable the country to take its rightful place in the global economy.
1593. The Nation, however, cannot expect to get the desired results if the required and time-framed actions over the three year period are delayed, hoping to accomplish them at the end of the Framework period.
1594. Therefore, full participation of all stakeholders from the outset of the Framework is vital and necessary for meeting all the synchronised and time-framed milestones which are built into this Framework.
1595. Government, on its part, commits itself to play its leadership role, timeously co-ordinating the requisite initiatives to implement all agreed programmes and projects.
1596. This will necessitate closer monitoring and evaluation of implementation, with the necessary corrective actions for the Framework to remain on course promptly instituted.

1597. The commitment and active participation of all stakeholders to a team approach, embracing Government, the private sector, the general public, civil society as well as co-operating partners, will be critical.

End