POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
			haphazardly.	
Transformation of ARDA to ensure effective use of land under ARDA and that equipment is readily available to farmers	Paragraph 14.30 Page 49	i. ARDA was assisted with financial resources under PLARP to enhance its operational efficiency.	i. ARDA has not positively responded to the financial assistance provided.	
AREX urged to ensure new farmers receive training	Paragraph 14.30 (C) Page 49	i. The farmer to AREX official ratio still very high	i. Agricultural output remains low.	
Stopping abuse of farming sector fuel facility by charging ruling fuel prices, effective 1/02/2005	Paragraph 14.42 Page 50	i. Farmers still accessing fuel at subsidised prices.	i. Creates opportunities for rent seeking at the expense of farming. ii. Farmers are diverting fuel for speculation and other non-productive activities unrelated to farming. This is	
			adversely impacting on production.	
Pre-planting agriculture crop prices	Paragraph 14.44 (a) Page 49	i. Government policy is to announce the marketing price for grain close to harvest time	i. Makes planning difficult	
Implementation of 99 year lease framework	Paragraph 14.44 (e) Page 49	i. Being issued but progress still low.	i. Delay in implementation of 99- year leases is affecting long term investments on the	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
			farms. ii. Farmers not able to borrow from banks because of lack of security of tenure.	
Command Agriculture- proposal to bind farmers who benefited from the land reform to produce a certain minimum targeted output of specific crops.	Paragraph 14.56, Page 52	i. Not implemented	i. Non-implementation of command agriculture affects food security.	
Ensuring full take up of allocated land- especially the A2 areas	Paragraph 14.59 (a) Page 49	i. Take up rate still low for A2 farmers	i. The low take up rate has resulted in land lying idle contributing to low agriculture output.	
Government urged to ensure full accounting and utilisation of farming equipment on farms	Paragraph 14.59(b) Page 49	i. Agricultural equipment not being fully utilised.	i. Underutilisation and vandalism of farm equipment is negatively impacting on agriculture output	
Reorientation of Parastatals and Local Authorities	Paragraph 15.1 Page 54	i. RBZ funded Parastals and Local Authorities but Benefits yet to be reaped.	i. Efficiency and service delivery by some public enterprises and local	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
			authorities still poor.	
Value Addition	Paragraph 20.2, Page 54	i. Government set aside Z$100 billion for this purpose, but country still largely relies on primary exports.	i. Low export earnings due to lack of beneficiation of local products.	
Protection of Wildlife Conservancies through designating them as "Strategic Investment Sector Status"	Paragraph 21.3 Page 63	i. ZTA has put in place Tourism Development Zones with designated areas covering Gonarezhou, Chiredzi and surrounding areas	i. Increased investment as investors get to enjoy several tax incentives.	
Establishment of Energy, Housing and Infrastructure Development Bank	Paragraph 22.2 Page 64	i. Launched in August 2005 – Infrastructure Development Bank of Zimbabwe	i. Institution focusing on financing infrastructure development.	
Legislators implored to put in place punitive statutes to fight corruption	Paragraph 24.5 Page 64	i. Establishment of Ministry of Anti-Corruption and Anti-Monopolies.	i. Corruption still rife adversely affecting economic activity.	
Social Contract- call for the signing of social contract	Paragraph 27.1Page 67	i. Negotiations currently underway – no agreement has been reached to date.	i. Prices continue to increase.	
Bilateral Investment Promotion and Protection Agreements (BIPPAs)– Government to respect BIPPAs.	Paragraph 14.18Page 48	i. Some BIPPAs were violated and there is slow progress in reversing these violations.	i. Violation of some BIPPAs has negatively affected investor confidence and foreign direct investment.	

FIRST QUARTER MPS MAY 2005

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Implement tighter license renewal framework for Asset Management companies	Paragraph 3.13, page 11	i. Implemented	i. Enhances safety and soundness of the financial system.	
Adoption of sound corporate governance system and practices in the financial sector	Paragraph 3.25, page 13	i. In progress	i. Enhances the soundness of the financial sector.	
Constant reminders on the interpretation and views of the country's inflation developments	Paragraph 4.1, page 14	i. On going	i. Informed decision making and planning by economic agents.	
More anti-inflation measures to be implemented.	Paragraph 4.30, page 17	ii. Central Bank continues to maintain tight monetary policy stance.	i. Quasi-fiscal operations continue to derail the efforts of the Central Bank to contain	
			excessive money supply growth.	
Urge relevant authorities to	Paragraph 4.41, page 19	i. Currently, there is an Incomes and Pricing	i. Approved for price adjustment, since	
coordinate and formalise the formation of an Independent National		Committee. Proposal has been submitted to Cabinet for further consideration. Progress	monitored products are slow adversely affecting the liability of the business	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Incomes and Price Commission.		is slow		
Urge the renewal of Government, Labor and Business spirit of cooperation, towards the establishment of a social contract.	Paragraph 4.42, page 20	i. Negotiations are being done under TNF; however, no agreement has been reached. ii. Progress is slow.	i. Price increases continue unabated. ii. Demand for wage adjustments continue	
Money supply aggregates should grow at consistent levels with real economic activity	Paragraph 5.4, page 21	i. Set targets have not been achieved due to quasi-fiscal operations.	i. Expansion in money supply feeding into inflation.	
Inflation stabilisation should continuously be the guide to monetary policy interventions	Paragraph 7.4, page 23	i. Adopted	i. Inflation continues to rise due to other macro-economic imbalances	
Tighter structures and monitoring frameworks to be put in place to guard against abuse of concessional funding.	Paragraph 8, page 28	i. tighter monitoring framework put in place.	i. Cases of abuse of funds have significantly gone down.	
A strong response framework to be put in place to counter corruption and indiscipline.	Paragraph 16.14, page 53	i. Some anti-corruption institutions have been formed e.g. Anti Corruption Commission.	i. No significant gains have been achieved.	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Effective and efficient utilisation of resources under PLARP.	Paragraph 19, Page 56	i. Tight monitoring to ensure PLARP funds are employed.	i. Improved efficiency and service delivery has been realised. However, some institutions are still encountering operational difficulties.	
Urge Government to ensure that minimum thresholds of the country's arable land is put under food crops	Paragraph 22.1, page 59	i. Progress is slow	i. Affects food security.	
Urge Government to introduce a Land Tax.	Paragraph 25.15, page 67	i. Issue still under consideration.	i. Underutilising of land.	
Call upon Employer representative bodies and labor representative bodies to negotiate wages and salary reviews in a manner that	Paragraph 27.1, page 67	i. No agreement has been reached under TNF	i. Workers representatives calling for wages adjustment linked to inflation and not productivity.	
balances sustainable productivity and the right of workers for human standards of living.				

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Urge Embassies to step up investment campaigns to complement the turnaround programme being implemented in Zimbabwe.	Paragraph 30.6, page 69	There are no programmes in place to promote investments by the various Embassies	i. Low investm ent. ii.Negative publicity abroad persists.	

SECOND QUARTER MPS JULY 2005

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
The 99-year Lease Program	Paragraph 12.5, Page 23	i. Implementation of the 99 year lease has been delayed. Few bearer cheques have been issued in 2006.	i. There is uncertainty in agriculture sector, hence low agricultural productivity on the farms.	
Government to sign new Bilateral Investment Promotion and Protection Agreements (BIPPAs) Government to reaffirm commitment to respecting sanctity of existing BIPAs	Paragraph 12.7, page 23Supplement 1 – Page 10	i. No new BIPPA signed as yet. ii. Discussions underway. Progress is slow.	i. The non rectification of BIPPAs violated during the land reform has led to low investor confidence, especially in mining and agricultural sectors. ii. This has therefore led to investors cutting back on new investments thereby negatively impacting on	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
			production and export earnings.	
Engaging the International Community (payment of arrears)	Paragraph 13.2, page 24	i. Repayments made to the IMF clearing the General Resources Account (GRA). ii. Token payments made to World Bank and AfDB. iii. Efforts underway to settle the country's dues to other creditors.	i. After clearing the GRA arrears, the country retained its membership in the IMF and renewed confidence in other global institutions. ii. The country has been able to sign bilateral deals with other international financial	
			institutions, like the oil deal with BNP Paribas of France	
Government to construct Low-Cost Housing Structures and Factory, Shells and Market Stalls	Paragraph 14.2, page 26	i. In progress and on-going	i. A number of low cost houses were built under Operation Garikai, thereby relieving accommodation pressures in some urban areas. ii. Factory shell for SMEs were also put up under the operation in order to formalise the SMEs	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
			activities thereby contributing to the economic development.	
Government to expedite the development of alternative sources of	Paragraph 14.12 page 26	i. Some pilot projects are underway. ii. More land has been made available for the	i. Positive impact to be realised in the medium to long –tem.	
fuel.		growing of jatropha. iii. A Zimbabwean delegation conducted a study visit of a Bio-diesel plant in Korea in May 2006.		
		iv. More investment are still		
		needed to quantify coal-bed methane gas reserves.		
Government labour and Business Community recommit to a progressive social contract	Paragraph 3.1, Page 4	i. Negotiations are on-going and progress is slow	i. No agreement has been reached on the Income and Price Protocol. ii. Prices and wages continue to rise contributing to inflationary pressures.	
Ensure that Parastatals and Local Authorities operate under strict, sound corporate governance	Paragraph 11.3, Page 22	Most local Authorities have complied with sound corporate governance systems.	i. Inefficiencies in the operations of the local authorities and parastatals still continue and is inevitably passed on to counter	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
			parties	
systems and use proper accounting practices.			cascading into higher prices for the end consumer.	
Tighten licensing renewal framework for Asset Management Companies (AMC)	Paragraph 4.9, page 5	i. Examinations were conducted as part of the renewal process of AMC licenses.	i. The tightening of licensing and renewal for AMC has contributed to stability in the financial sector.	
	Paragraph 4.9,	i. Implemented.	i. Those licensed now	
Tighten licensing renewal framework for Micro Finance Institutions and Money Lenders and Compulsory wind down of illegal activities	page 5		concentrate on core business of money lending. This has introduced discipline in the money lending business.	
Tighten internal control and audit systems.	Paragraph 4.14, Page 6	i. RBZ has purchased the software ACL (Audit Command Language) and has trained thirteen (13) examiners on forensic audit.	i. This has enhanced the effectiveness of on-site supervision of banks	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Producers and service providers to align price reviews to genuine changes in production cost	Paragraph 3.3, page 4	i. There has been no progress to date. ii. Manufactures and service providers are still pricing their goods and services using parallel market foreign exchange rate.	i. Continuous rise in prices	
All banking institutions to upgrade their corporate governance and risk management practices in line with provided guidelines	Paragraph 4.13, page 6	**i. Risk Management Guideline** which sets the minimum standards of banking institutions in the management of risks inherent in their operations were made available to the banking institutions. ii. Banks are in the	i. Improved corporate governance and risk management in the banking sector.	
		process of upgrading their systems in line with RBZ guidelines so as to minimise risk in the financial sector. iii. Beginning 30 December 2006, the Reserve Bank will publish Financial Stability Reports (FSRs) bi-annually. The FSR will cover significant developments in the financial sector and the macro-economic environment (domestic and international) as well as international		

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
		developments with a bearing on financial stability.		

THIRD QUARTER MPS OCTOBER 2005

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Productive use of every inch of the land	Paragraph 1.14 Page 4	i. Financial and technical support given to farmers to increase utilisation of the land.	i. Increase in grain output though it is still below the national requirements.	
Banking sector reminded to start working on their recapitalisation plans ahead of the deadline for the new reserve requirements.	Paragraph 3.8 Page 11	i. Banks putting in place measures to ensure that they meet the new capital requirements. Banks met new capital requirements.	i. Safe and sound banking sector.	
Enhancement of financial sector stability by managing assets and liabilities in line with sound corporate governance and prudential norms.	Paragraph 3.21 Page 13	i. Most banks have restructured their management teams in line good corporate governance practices. Banks are no longer engaging in non banking	i. The public have regained their confidence in the Banking sector.	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
		activities.		
Reduce money supply to below 50% December 2005.	Paragraph 4.17 Page 17	Money supply growth is currently above 3000%.	i. Target was not met.	
Reduce inflation to 280-300% by December 2005.	Paragraph 4.22, Page 19	i. Inflation reached 585.8% in December 2005. Inflation is currently above 3700%.	i. Deterioration of living standards.	
Interest rates to be set and managed	Paragraph 5.2, Page 25	i. Overnight rates adjusted in line with inflation	i. Decline in speculative borrowing.	
toachieve the desired dis-inflation path and the RBZ to maintain short money market positions.		developments from 405% in October 2005 for secured lending to 540% as at December 2005. Accommodation rates are currently at 700% for unsecured and 600% for secured.	ii. High borrowing costs for productive sectors not eligible for concessional funding.	
Companies urged to reorient their financing systems through minimising reliance on borrowings given the	Paragraph 5.13 Page 27	i. Lending to the private sector by deposit money banks has been mainly short-term.	i. Reduces chances of defaulting.	
high cost of credit.				

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Reduce statutory reserves to enhance operating conditions in the banking sector.	Paragraph 5.17 Page 27	i. Statutory reserves reduced to avail banks more funds for on lending. ii. Statutory reserves reviewed upwards in February and March 2006 to curb growth in money supply. iii. Current reserve requirements are 45% for demand deposits and 35% for time deposits, respectively for commercial and merchant banks.	i. Reduces cost of funds for banks ii. Improve liquidity position of banks	
Exchange Rate Management:	Paragraph 6.3 Page 28	i. The TFCBS commenced on 24 October 2005 and	i. Inter bank rate depreciated from $26	
introduction of the Tradable Foreign Currency Balances		allowed the exchange rate to adjust in line with market developments.ii.	000/USD to $60 000/ USD. As at December 2005 the exchange rate	
System (TFCBS)		The TFCBS was changed to volume based system in 2006	was $85 158/USD. ii. Decline in parallel market activities.	
Maintenance of an efficient and robust national payments system	Paragraph 8.1 Page 40	i. Utilisation of ZETSS has been maintained at an average of 80%	i. Reduction in the use of large volumes of cash and cheques.	
Put in placeadequate logistical arrangements to ensure effective	Paragraph 9.1 Page 41	i. The RBZ introduced the $100 000 bearer cheque on the 1st August 2006.	i. Reduction in queues at Banks.	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
distribution of cash to the public.		ii. Enough cash to support transactions in the economy.		
Hasten the pace of macroeconomic convergence	Paragraph 10.1 Page 42	i. Huge gap still exist between agriculture lending rates and market rates. ii. Multiple exchange rates exist in the economy. iii. Inflation has not yet declined to desired levels.	i. Distortions create room for counterproductive rent seeking activities which are also inflationary.	
Import substitution. The country should gear the productive systems towards	Paragraph 11.3 Page 44	i. Import facilitation divisions working with companies to facilitate import substitution in	i. This will conserve foreign exchange through reduction in imported inputs and	
import-substitution.		areas were raw materials are locally available.	boost the country's capacity to generate foreign currency.	
Agriculture production enhancement	Paragraph 12.2 Page 48	i. Provided inputs to farmers. ii. Bought machinery for farmers.	i. Improved agricultural output during 2005/ 2006 agricultural season. ii. Improved food situation in the country.	

POLICY ADVICE GIVEN	REFERENCE	IMPLEMENTATION PROGRESS	IMPACT	COMMENT
Law and Order - Implement the 99 year lease program - Stop Land invasions	Paragraph 12.25 Page 51	i. Government pledged to introduce statutes that criminalise disruptive practices in the agricultural sector. ii. Land invasions are however still being reported.	i. This will promote investment in the agricultural sector. ii. Non implementation of the 99-year lease has, however, eroded investors confidence in the agricultural sector.	
Investment attraction	Paragraph 13.1 Page 53	i. Potential investors invited to participate in joint venture investments. ii. A number of investment promotion missions undertaken to Russia, Korea and China.	i. Potential investors have expressed interest in investing in Zimbabwe	
Property Rights	Paragraph 13.16	i. Government pledged to	i. Viewed with skepticism	
Authorities urged to put in place laws that protect property rights.	Page 53	introduce statutes that criminalise disruptive practices in the agricultural sector and respect property rights.	by investors.	
Bilateral Investment Promotion and Protection Agreements (BIPPAs)	Paragraph 13.17 Page 54	i. The Government is currently in the process of rectifying violated BIPPAs	i. Investor confidence still lacking.	
Radical transformation of Parastatals and	Paragraph 14.1 Pg 54	i. The RBZ through PLARP assisted number of parastatals	i. There has been some improvements which are being hampered by the	