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get statement scheduled for presentation later this month. In his Mid-Year Fiscal Policy Review statement, Minister of Finance as at December 31 2008. External debt stood at US\$4.2 billion which Government owed US\$1.8 billion while the balance sheet was accounted for by parastatal state sector. About 65 percent of the obligations were in arrears. Zimbabwe has not received government support

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timal and consistent economic strategy. The country's external debt is also a concern which is a hindrance to

ZIMCodd

ANNUAL REPORT

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Investing in people for social and economic justice



ABOUT ZIMCODD

The Zimbabwe Coalition on Debt and Development, ZIMCODD, which is a registered trust is a socio-economic justice coalition established in February 2000 to facilitate citizens' involvement in making public policy and practice pro-people and sustainable. ZIMCODD views Zimbabwe's indebtedness, the unfair global trade regime and lack of democratic people-centered economic governance as root causes of the socio-economic crises in Zimbabwe and the world at large. Drawing from community-based livelihood experiences of its membership, ZIMCODD implements programs targeted at;

- Educating the citizen
- Facilitating policy dialogue among stakeholders
- Engaging and acting on socio-economic governance at local, regional and global levels

ZIMCODD's headquarters are in Harare with regional offices in Bulawayo and Mutare.

Vision

Sustainable socio-economic justice in Zimbabwe through a vibrant people based movement.

Mission

To develop capacities of Zimbabwean people to redress the debt burden and unjust trade practices, building and promoting alternatives to neo-liberal agenda.

Objectives

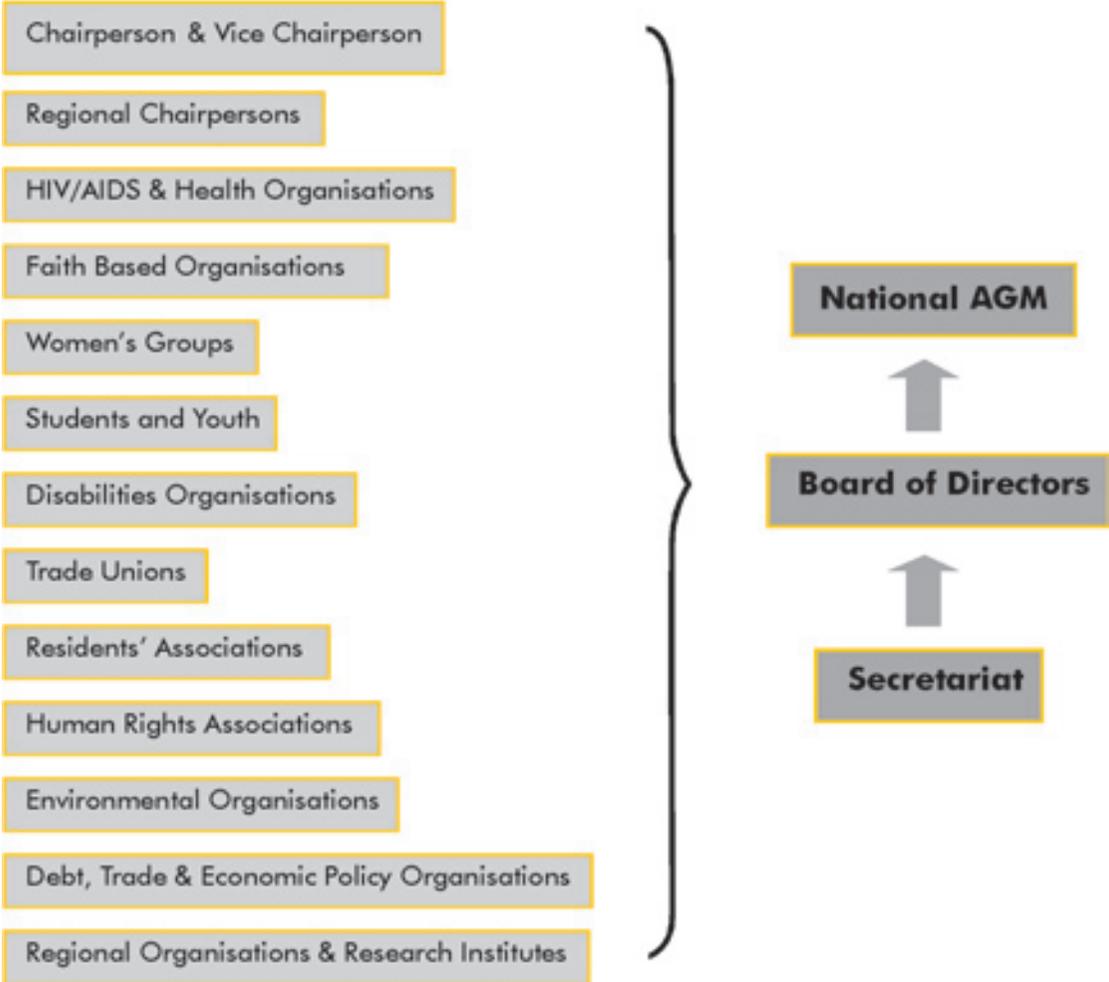
- To raise the level of economic literacy among ZIMCODD members to include views and participation of grassroots and marginalized communities;
- To facilitate research, lobbying and advocacy in order to raise the level of economic literacy on issues of debt, trade and sustainable development;
- To formulate credible and sustainable economic and social policy alternatives;
- To develop a national coalition, and facilitate the building of a vibrant movement for social and economic justice.

ZIMCODD is affiliated to the Southern Africa Peoples' Solidarity Network (SAPSN), Africa Jubilee South (AJS), Jubilee South, the Zimbabwe Social Forum (ZSF) and the African Forum and Network on Debt and Development (AFRODAD).

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GOVERNANCE STRUCTURES



BOARD MEMBERS

JOY MABENGE - Chairperson

Joy brings to ZIMCODD a wealth of experience in policy advocacy, political commentary and analysis, research, mobilization, and social movement building. He holds a Masters Degree in Development Studies (Political Economy) from the University of Manchester's Institute for Development Policy and Management. He is an alumnus of the British Chevening Scholarships and holds a postgraduate Diploma in Project Planning and Management from the University of Zimbabwe (UZ). He also studied Political Science and Administration at undergraduate level at the UZ. He is a committed human rights and social justice activist, who has also served in the ZIMCODD Secretariat for a combined eight years at programme and executive levels. He currently serves on the boards of the Crisis in Zimbabwe Coalition, the Students Solidarity Trust and Padare/Men's Forum on Gender.



PAULINE SIBANDA - Vice Chairperson

Pauline is the regional secretary for the Zimbabwe Congress of Trade Unions (ZCTU) Western Region covering the whole of Matabeleland. She is a negotiator and national committee member for the Commercial Workers Union. She is a disability activist and the secretary of the Disability Association of Zimbabwe (DAZ) board. As one of the interim vice chairpersons of the National Association of People with Disabilities in Zimbabwe (NCDPZ), she focuses on economic empowerment. Her passion is to see the emancipation, inclusion and recognition of people with disabilities in Zimbabwe through effective policy advocacy.



DAKARAYI MATANGA - Secretary

Dakarayi is the Executive Director of ZIMCODD and the Zimbabwe Social Forum (ZSF) head of secretariat. He joined ZIMCODD as Programmes Director in January 2008, and assumed his current position later that same year. Prior to joining ZIMCODD, he served Econet Wireless Zimbabwe (EWZ), the African Forum and the African Network on Debt and Development (AFRODAD), Transparency International Zimbabwe (TI-Z) and the Confederation of Zimbabwe Industries (CZI) in policy advocacy and communications capacities. He holds a Masters degree in International Relations (2002) and an Honours Degree in Politics and Administration (1998) from the UZ, as well



as professional qualifications in public relations. He is an alumnus of the African Programme on Rethinking Development Economics (APRODE), and also the Effective Supervisory Management (ESM) course run by Success Motivation International (SMI).

WILFRED GONDORO - Treasurer

Wilfred is currently the Finance Manager for AFRODAD, which he joined in Oct 2010. He has more than 12 years working experience in financial management and administration in various developmental institutions. Prior to joining AFRODAD, Wilfred served the Southern African Research and Documentation Centre (SARDC) as Finance Manager between 2002 and 2010. Prior to that, he had worked as Finance and administration Manager between 2000 and 2002 for Pundutso Micro Financing (Pvt) Limited, then one of the country's biggest micro enterprises, which is part of World Vision Zimbabwe. Wilfred holds a Masters degree in Business Administration from Maastricht School of Management (MsM)/Eastern and southern African Management Institute (ESAMI); and a Bachelors of Commerce (Honours) degree in Finance from the National University of Science and Technology (NUST) in Zimbabwe.



MUTUSO DHLIWAYO - Environmental Organisations

Mutuso is a lawyer by profession and is the Director of the Zimbabwe Environmental Law Association (ZELA). He holds a Masters Degree in Environment and Development from the University of KwaZulu-Natal, South Africa and a Bachelor of Laws Honours from the UZ and serves on various boards. These include ZELA itself, the Global Green Grants-Southern Africa, Zimbabwe Organic Producers and Promoters Association, a steering committee member for the United Nations Development Programme (UNDP) Global Environmental Facility Small Grants Programme in Zimbabwe, Action 24, Chairman of the Southern Africa Community Based Natural Resources Management Forum, a steering committee member of the Climate Change Working Group in Zimbabwe, Southern Africa Community Based Natural Resources Management Forum Regional Policy Working Group, a national steering committee member for IUCN - the World Conservation Union in Zimbabwe Office, and a steering committee member for the Zimbabwe Community Based Natural Resources Management Forum.



BOARD MEMBERS

MICHAEL KANDUKUTU - TRADE UNIONS

Michael is the head of the ZCTU Organising Department. He is a socio political activist as well as a human and trade union rights defender. He holds various diplomas in human rights law and international labour standards. He is currently studying for a Social science degree (HPOS).



COLLINS MAGALASI - Regional Organisations & Research Institutes

Collins is the AFRODAD's Executive Director. He is an experienced manager and technical expert in Public Policy, Development, Business Law and Development Finance. Trained as a Political Economist and Business Lawyer, he is a Horst Kohler Scholar and holds a Master of Laws and Business degree, as well as a Master of Public Policy and Management degree. He also holds a number of professional certificates and diplomas in management, in addition to his Bachelor's Degree in Public Administration. He has served various institutions based in Africa and Europe in various technical and management capacities, and brings to ZIMCODD a wealth of experience in such areas as international aid, trade, debt management, development finance, budgeting amongst others.



MASIMBA KUCHERA - Disabilities Organisations

Masimba is a Programs Officer, Information and Research at the Students Solidarity Trust (SST). He serves on the Commission of Churches on International Affairs (CCIA) which is a commission of the World Council of Churches (WCC). He is a former Vice Chairperson of the World Student Christian Federation (WSCF) and formerly General Secretary of the Student Christian Movement of Zimbabwe (SCMZ). He holds a Social Science degree from the University of Zimbabwe and has participated in the Social Forum Processes at National, Regional and International levels.



ANNA MATIASHE - Women's' Groups

Anna is currently employed by Legal Resources Foundation (LRF) as the Regional Administrator for Manicaland. As a human rights defender, she has worked extensively with organizations such as Zimbabwe Human Rights Association (Zimrights), Zimbabwe Lawyers for Human Rights (ZLHR) and Zimbabwe Election Support Network (ZESN) on various programmes. Representing the Women's' Groups cluster, Anna has contributed immensely to the coalition's governance, and realisation of its objectives, vision and mission over the past year.



DZIMBABWE CHIMBGA - Chairperson, ZIMCODD Legal Committee

Dzimbabwe holds an LLB from the University of Zimbabwe and an LLM from Notre Dame University (USA). He is the Programme Manager for the international, litigation, lobby and advocacy unit at the ZLHR and he is practising lawyer specialising in human rights. He has been with ZLHR since 2006. He has extensive experience in human rights Litigation domestically and in the region. He has filed and argued a number of cases before the African Commission on Human rights. He also serves on other local and regional boards such as that of the African Court Coalition, a pan-African organisation working on strengthening the work of the African Court on human and people's rights. He worked in private practice prior to his current vocation.



MARGRET MURANDA - HIV/AIDS & Health Organisations

Margaret is an HIV/AIDS activist and trainer in Manicaland. She is a facilitator with the Family AIDS Support Organisation (FASO) and a member of the Women's Coalition in Zimbabwe and facilitates in the organization's programs in Mutare. Margaret is a committed activist who has played a key role in spreading awareness of social and economic justice issues in the communities of Dangamvura and Sakubva. She holds a certificate in Systemic Counselling from Connect and another one in HB/Palliative care from Island Hospice.



BOARD MEMBERS

STEWART DHLIWAYO - Faith Based Organisations

Rev. Dhliwayo is the founder of Pentecostal Faith Life Church and is an AMC with Transparency International. He also serves on the Christian Alliance in Zimbabwe's Glen Norah Section and is the vice chairman of the Evangelical Fellowship in Zimbabwe and in Glen Norah Section. Currently am a Board Member of Zimcodd Faith Based Organization. He holds a Bachelor of Arts Degree in Religious Studies, and is currently studying Corporate Governance with the University of South Africa (UNISA).



STANLEY KWENDA – ARTS AND CULTURE GROUPS

Stanley is a Zimbabwean journalist with ten years experience in print journalism in the Southern Africa region. He has worked for several local and international news organisations focusing on development news. Currently he is working as the Director of Artists for Democracy in Zimbabwe Trust (ADZT) and as an Africa Correspondent for Inter Press Service (IPS). He also belongs to the Federation of African Investigative Reporters (FAIR) and the Media Institute of Southern Africa (MISA).



PERCY MCIJO - Southern Region Chairperson

Mr. Mcijo who has vast experience in civic matters, is the regional officer for the ZCTU in the Western Region covering the whole of Matabeleland. He is also the chairperson for Zimbabwe Electoral Support Network (ZESN) Bulawayo Task Force. He has formerly chaired the Progressive Residents Association Ward 28 in Bulawayo, and served the National Engineering Workers Union as Deputy President. He is an alumnus of the Kwazulu Natal Labour College paralegal training programme. He also holds a diploma in Human Resources Management from the Institute of Personnel Management in Zimbabwe (IPMZ) and is currently pursuing a Postgraduate Diploma in Arbitration and Conciliation with the Faculty of Law at the UZ.



ENNDY ZIERA - Mutare Region Chairperson

Enndy is a Provincial Coordinator for the Manicaland region with the Zimbabwe Peace Project (ZPP). He also serves the Natural Resources Dialogue Forum (NRDF) as its Vice Chairperson. He is also the current chairperson for Zimbabwe Electoral Support Network (ZESN) in Manicaland. He holds a Master of Science in Peace, Leadership and Governance from the Zimbabwe Open University (ZOU) and has participated in the Social Forum space at national, regional and international levels.



KELVIN HAZANGWI - Harare Region Chairperson

Kelvin is a human rights and social justice activist who currently works at PADARE / ENKUNDLENI/ Men's Forum on Gender as Executive Director. Kelvin has also previously worked as a Senior Programmes Officer at ZIMCODD. He currently serves on the boards of the National Anti-Domestic Violence Council, the Students and Youths Working on Reproductive Health Action Team (SAYWHAT), and Women in Land Zimbabwe. He has experience in the areas of trade justice, gender and women's rights, and has been active in the Social Forum space and anti-privatization campaigns. He is an alumnus of the British Chevening Scholarships and holds a Masters Degree in Gender and Development Studies from the University of Sussex (UK). He also holds an Honours Degree in Politics and Administration from the UZ, as well as a Post Graduate Diploma in NGO Administration from University of Botswana.



MESSAGE FROM THE BOARD CHAIRPERSON



It gives me great pleasure as Chairman of ZIMCODD, to share my reflections on the past year with the coalition's stakeholders.

A quick scan of various developments in our operating context over the past year give us greater conviction in pursuing our role, of championing the cause of marginalised groups in the policymaking process, and I will highlight a few.

The government of the day is seized with implementing various programmes targeted at economic recovery, since it was sworn in 2009. For various reasons government does not have the capacity to generate adequate resources internally to activate these programmes, hence the need for external support in the short to medium term.

Unfortunately, Zimbabwe owes bilateral and multilateral creditors various amounts, which are beyond its internal capacity to repay. Creditors have insisted on repayment of outstanding arrears and implementation of specific reforms before Zimbabwe can receive debt relief and more aid. This means that the unserviceable debt stands in the way of full economic recovery of the country. From our particular perspective, unsustainable public debt stands in the way of citizens' enjoyment of their social and economic rights.

To address this issue, the Minister of Finance proposed four debt and arrears clearance options in 2010, comprised of

internal resource flows, resource based debt restructuring, Paris Club debt restructuring and the Highly Indebted Poor Country initiative (HIPC).

Since this development was announced, ZIMCODD has taken the debate on the best debt strategy to the grassroots through various ways. This includes convening a national consultation for local CSOs last year, to interrogate the implications of implementing the PRSP process, which is embedded in HIPC from a citizen perspective.

Whilst debate on dealing with Zimbabwe's past debts was raging, we were deeply concerned to learn that Zimbabwe had resumed new borrowings in the past year at non-concessional terms, on projects of questionable national benefit. It is clear from reports that Parliament, which ratified these loans, was not involved in the negotiation process. Furthermore legislators raised concerns with the terms of these loans, as well as the use of Parliament as a rubber stamping mechanism.

This vindicates ZIMCODD, whose past studies show that Zimbabwe's current loan contraction and debt management framework lacks transparency, accountability and inclusiveness. The coalition has previously called for an urgent review of the country's loan contraction and debt management framework, to give legislators greater oversight when the country acquires new loans. In this view, we restate our position that whilst the Public Finance Management (PFM) Act was a welcome development, it needs urgent review in the areas focused on loan contraction and debt management.

MESSAGE FROM THE BOARD CHAIRPERSON

Over and above these systemic weaknesses, there is also ambiguity in the source, growth and socio-economic impact of Zimbabwe's current outstanding debts. The exact extent of Zimbabwe's indebtedness remains a mystery, with the Minister of Finance reportedly referring to the existing external debt as 'unverified'.

Efforts by citizens to unpack the true nature of this debt are hampered by mistrust and opaqueness of the systems and institutions handling public debt. We therefore take this opportunity to restate our calls for a public and transparent audit of Zimbabwe's past debts, through a commission of Parliament. Apart from informing the country's debt strategy, this process will inform any policy reforms on public debt management, and guarantee citizens their right to information on matters concerning the governance of the national economy which rightfully belongs to them.

The public debt is not the only area of concern to ZIMCODD as a social and economic justice coalition. Whilst small producers have made sterling efforts to organise themselves, their returns in the local value chain and global market are still marginal. We therefore continued to support small scale cotton producers, to ensure their voice is heard in the past year.

ZIMCODD also contributed to debates surrounding deindustrialisation and uneven development in our country. Furthermore, we joined other CSOs in building citizens capacity to make inputs into the outreach process to reform the country's constitution. Research was also done to analyse

the impact of monetary policy on citizens' welfare. We joined other activists in calling for a people centred, and sustainable solution at the climate talks in Durban last year. We also shared information on implementation of aid effectiveness principles in the country, and participated in the global debate on the shift from aid effectiveness to development effectiveness in Busan, South Korea. These are but a few of the areas of focus for us in the past year, which are explained in this report.

My reflections would not be complete without acknowledging the contribution of colleagues on the national and regional boards. The year 2011 was marked by significant internal changes in the coalition's governance, as new members were elected to ZIMCODD's national and regional boards. I am glad to report that the new members have taken to their new tasks with enthusiasm, especially after intensive orientation on various aspects of the organisation. The board also carried out a review of the current thrust of the institution, and I can report that we re-affirmed many of the organisation's strategic objectives in the short to medium term through this critical process.

On behalf of the board, I sincerely thank everyone who continues to support us in our endeavours. Specific mention goes to our funding partners for sticking with us through challenging times, as well as the Secretariat.



Joy Mabenge
Chairperson

MESSAGE FROM THE EXECUTIVE DIRECTOR



This report captures activities carried out by ZIMCODD in the year 2011. Briefly, report will show that ZIMCODD made progress in the implementation of specific programmes. However, some gains were reversed here and there by challenges specifically related to staff turnover, reduced funding and to a smaller extent the

unpredictable operating environment.

The Policy and Advocacy Programme (PAP) made significant progress, mainly on the research front. The A study entitled *'A Contribution to the Ongoing Debate on the Deindustrialisation of Bulawayo'* was carried out, to give the civil society perspective on this topical issue. Desk research for a policy brief entitled *'Reflections on the Euro-zone Debt Crisis and Lessons for Zimbabwe'* was done as collaboration with a northern based CSO.

The PAP desk also continued to contribute towards content on economic recovery the Civil Society Monitoring Mechanism (CISOMM) bi monthly reports. The PAP desk in conjunction with ZIMCODD regional desks also conducted community research for publication of community voices on the issue of the implementation of the Paris Declaration in Zimbabwe, as well as climate change.

A study entitled *'Understanding the Role of the Financial Sector in Zimbabwe, Central Banking and its Social and Economic Impacts'* was also finalised, following a validation exercise with members in 2010. However, the final report could not be processed further into publication format, as well as simplifying it into 'grassroots friendly' format by the end of the period under review. This was due to challenges with staffing and resources described. Research on Zimbabwe's debt was also outsourced to contribute to campaigns for an official debt audit. However the study faced challenges due to non-cooperation by some government departments. Furthermore, the authorities had initiated a process of collating figures on the external debt with creditors, an exercise that had not been completed by year end.

Engagement in or facilitation of policy debates is also a critical part of ZIMCODD's policy and advocacy strategy. In this regard the coalition facilitated a CSO consultative meeting on the implementation of aid effectiveness principles in Zimbabwe in collaboration with other interested civic groups. ZIMCODD was also invited to participate in the Ministry of Finance (MoF) consultative workshop as it prepared to participate in the fourth High Level Forum on Aid Effectiveness held later on in the year.

Another policy dialogue came in the shape of a capacity building workshop convened to help civil society to understand the country's debt strategy. The head of the newly created debt management office (ZAADMO), and other officials from the MoF participated in the workshop, and helped participants to

MESSAGE FROM THE EXECUTIVE DIRECTOR

understand how this new office would interact with stakeholders such as civil society, as well as deal with the country's debt.

ZIMCODD also collaborated with like-minded institutions to host a public seminar under the Economy in Transition Dialogue Series, with the theme, *'The Global Economic Crises, and Implications for Zimbabwe's Recovery.'* The seminar exposed the public to possible challenges posed by recent developments in the global economy particularly USA and the Euro-Zone on transitional economies like Zimbabwe.

Despite the good work done above, work on the PAP desk ultimately slowed down after the Economist, who served on this portfolio relocated outside the country to focus on his doctoral studies. This also coincided with a sharp reduction in funding which meant that recruitment of his replacement had to be frozen indefinitely.

The Rural Livelihoods desk, which falls under PAP successfully conducted several field meetings to consult smallholder cotton growers at district level. This was followed up by the hosting of a National Cotton Stakeholders Round Table with the theme *"Towards Cotton Industry Growth, and Stakeholder Consensus, for Sustainable Livelihoods"*. Desk research was also commissioned to produce a briefing paper on the current context and overview of Zimbabwe's Cotton Sector. During the second half of the year the rural livelihoods mainly targeted farmers for capacity building as well as linking farmers with policy making bodies such as the Agricultural Marketing Authority (AMA) for open dialogue. Capacity

building workshops were arranged for farmers to sharpen their understanding of marketing issues in their sector as well as enhance their business and leadership skills. The farmers were also availed the opportunity to contribute towards the civil society spaces at the COP17 Conference in Durban through the Community Voices project.

Activities under the Citizen Participation in Economic Development (CPED) began with an internal review of the programmes impact since inception. The review showed that CPED has made significant impact in promoting economic literacy, and building member's confidence to engage in policy level debates. Both the national and regional boards managed to conduct elective AGMs in the first quarter. Most sector based workshops started in the second quarter when the resources were disbursed. The workshops focused linking ecological debt with climate change, and aid effectiveness. The Harare regional desk faced some disruptions when the Northern Region programme officer was arrested in February, and charged together with other activists over treason charges. The Harare Region's AGM had to be postponed for a month whilst he was on remand, whilst significant time was taken off to attend to the ongoing trial. Vigilance had to be maintained over the organisation's security situation, in view of these developments.

Campaign work continued in the areas of debt, and enforceable social and economic rights. Key platforms used for these issues were the World Social Forum (WSF), the annual global Debtweek and various civil society platforms focused on reform of the Zimbabwean constitution.

MESSAGE FROM THE EXECUTIVE DIRECTOR

The Communications and ICT programme was able to produce several publications which were commissioned in 2010 and 2011. However the communications officer left the organisation to take up a role in another CSO, greatly constraining delivery of programmes on this desk. The most significant area affected was the website, which recorded less traffic compared to the same period in the previous year. The traditional Breakfree newsletter could also not be produced. This portfolio could also not be filled again during the period under review, due to challenges with funding.

ZIMCODD handed over the hosting of SAPSN to the Malawi Economic Justice Network (MEJN) in 2010. However, the coalition continued to serve on the network's regional coordinating committee, in addition to participating in its activities. ZIMCODD gave guidance to the new secretariat as it convened the SADC People's Summit in Angola, as well as hosting the traditional SAPSN Tent during the Southern Africa Social Forum (SASF) in Lusaka. The ZSF held a well attended commemoration on the Global Aids Week of Action (GAWA) in Harare, as well as annual Zimbabwe Social Forum in Mutare. Unfortunately, resources were not sufficient to spread such activities to other towns as previously planned.

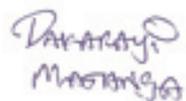
Key developments in the area of organisational development were the adoption and launch of ZIMCODD's new Gender Policy, as well as the lodging of the coalition's Deed of Trust with the High Court. As regards the former, the coalition now has a framework for gender sensitive programming, administration and governance. The Trust Deed clarifies any misconceptions

which may arise from a misunderstanding over the coalition's registration status.

In September the new ZIMCODD Board held its first strategic review, to familiarise itself with the organisations strategic plan for the short to medium term. The meeting was also used as an orientation for new board members.

Several networking activities were carried out which are described below, which helped the coalition to express its solidarity with, and gain technical assistance from likeminded organisations.

As illustrated above, the coalition managed to implement a number of key activities. However the continuity of many projects was threatened by the reduction in funding for programmes and institutional support. Under these circumstances, a lot of work was done to sustain existing partnerships, as well as grow new ones. Closely linked to the issue of finances, it was distressing to note the continued lack of response from the central bank to the coalition's formal approaches on recovering funds, which were placed in a mirrored account during the ZWD era. Notwithstanding these challenges, we take this opportunity to express our sincere gratitude to those partners who stuck with us throughout the past year.



Dakarayi Matanga
Executive Director



In the 2011 commemoration of Debtweek, ZIMCODD collaborated with the arts sector to spread awareness on the need for an inclusive and participatory loan contraction framework in Zimbabwe.

1.0 OPERATING ENVIRONMENT

1.1 EXTERNAL ENVIRONMENT

Political environment

The Inclusive Government (IG) was characterised by continued lack of goodwill and cooperation, amongst the country's political leadership, creating an unpredictable situation throughout the year. The Prime Minister, who chairs the Council of Ministers and is responsible for the formulation and implementation of government policy, reported that Zanu PF ministers refused to report to him or attend the Council of Ministers meetings, with bureaucrats at various levels allegedly not cooperating with his office. Reform of institutions which are supposed to protect human rights and guarantee the rule of law remained stalled. This state of affairs threatened the shaky coalition with imminent collapse.

The spectre of political violence reared its ugly head again. Various groups widely believed to be linked to Zanu PF, perpetrated acts of violence in parts of Harare with appalling impunity. This included disruptions to Parliamentary business. They also reportedly grabbed property across the country under the guise of empowerment whilst Zanu PF distanced itself from their actions. Farmer organisations reported the continuance of farm invasions, which included attacks on properties protected by bilateral investment agreements. Persecution of activists continued around the country. Two cabinet ministers from the MDC-T were arrested on flimsy charges which the courts subsequently threw out.

The human rights and security situation for CSOs in the country continued to be problematic especially as the state feared contagion from political and social upheavals in North Africa which they viewed as being a likely scenario in Zimbabwe. ZIMCODD's interaction with this problem came when one of its officers spent half a month in Remand Prison on treason charges. This stemmed from his participation (in his individual capacity) in a meeting which was deemed by the State to be a security threat.

The right to assemble was circumscribed, with parties and organisations perceived to be in opposition to Zanu PF failing to get permission from the authorities to hold public meetings and marches. Political tensions were heightened in light of a potential constitutional referendum and elections. Zanu PF pressed for the dumping of the IG and fresh elections despite the fact that many issues remained outstanding in terms of implementation of the GNU, as well as key electoral reforms and the constitutional referendum. A team of experts was selected to commence drafting of the new constitution. However contents of the draft were leaked to the press, with Zanu PF members calling for an end to the process.

Regional efforts to mediate between the signatories to the GPA continued, with the SADC Summit on Zimbabwe adopting the March 2011 Livingstone Troika's resolutions. It made unequivocal adoption of the idea of a clear roadmap to free and fair elections amongst other things. This involves the completion of all the steps necessary for the holding of free and fair election including the finalisation of the constitutional

reform process, and the removal of all state-sponsored violence. SADC also resolved that the Troika of the Organ would appoint a team of officials to join the facilitation Team and work with the Joint Monitoring and Implementation Committee (JOMIC) to ensure monitoring, evaluation and the full implementation of the GPA.

The economy

Although there has been some stability and growth since the swearing-in of the introduction of a basket of hard currencies in 2009, the growth was launched from a low base, and has grown sluggishly.

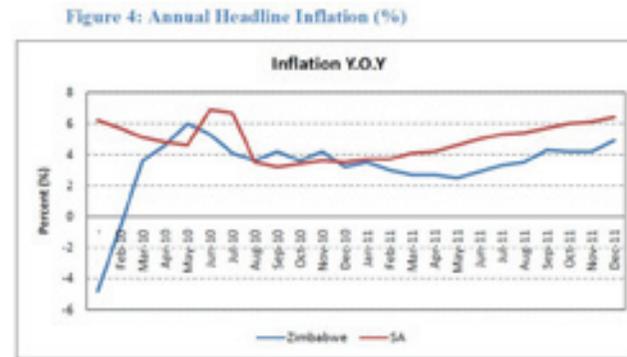
Improvement in overall capacity utilisation was noted in the manufacturing sector, with the Confederation of Zimbabwe Industries (CZI) recording an increase by 13.5% to 57.2% in the 12 months to June 2011. Deindustrialisation was however noted in specific areas, with Bulawayo being topical. Companies generally downsized, merged or disposed of non-core units to raise capital. Others resorted to retrenchments, with the number of laid off workers increasing from 1,605 in 2010 to 3,605 in 2011 according to the Retrenchment Board. The hardest hit was the mining sector, including banking, transport, hotel & catering and clothing & textiles. Enablers continued to be problematic, with energy supplies characterised by power cuts and excessive pricing.

Significant growth was noted in mining against the background of firm international commodity prices. However, optimum

productivity in the sector was weighed down by erratic power supplies. In the aftermath of the financial crisis international agricultural prices were also generally on the rebound, mainly as a result of recovery in global demand. Against the background of these developments coupled with a stable macroeconomic environment, the Zimbabwean economy grew by an estimated 9.3% in 2011, up from 8.4% in 2010. According to the central bank, expansion in economic activity in 2011 was underpinned by growth in mining (25.8%), agriculture (7.4%), finance and insurance (24%), distribution and tourism (10.3%) and manufacturing (3.5%).

Annual inflation remained low and stable in 2011 at levels below 5%, which reflected sustained price stability that has typified the multiple currency system (See Fig. 1).

Fig. 1 Annual Headline Inflation (%) in Zimbabwe compared to SA



Source: ZIMSTAT and SARB

1.0 OPERATING ENVIRONMENT

The economy was generally characterised by low liquidity, with experts raising alarm over systemic weaknesses in the financial sector. The RBZ was not sufficiently capacitated to play its role as lender of last resort. Some banks were undercapitalised, causing them to scramble for cash rich partners and turn to rights issues to comply with capital requirements. Citizens generally shunned the official banking system which is conservative and is lacking credit. Officials say over \$2 billion is estimated to remain outside the formal banking system.

Deposits were skewed in favour of a few institutions. The deposit to loan ratio in many institutions was also very high against a high default ratio presenting further risks. Local deposit and lending rates were not favourable when compared to the sub region. The issue was brought to a head towards the end of the year with delays in processing real time gross settlement system (RTGS) transactions, as the market demanded more cash during the festive season.

The budget fell well below bids by various ministries again, despite revenue collections rising to \$ 2,92 billion in 2011 from \$1,9 billion in 2009. Tax revenues were dominated by VAT, followed by individual and company tax. The vote of credit also did not perform well, with development partners only providing only humanitarian assistance outside the budget framework. Creditors also continued to insist on clearance of arrears and implementation of specific stabilisation measures, before offering debt relief and aid.

Despite the evident lack of fiscal space, the bloated government still pursued unnecessary and consumptive expenditure, with

controversy raised over a large external travel bill. The external debt continued to grow to an estimated US\$7,1 bn whilst domestic was US\$1.5 bn. However, no restraint or solution was in sight as government commenced borrowing on non-concessional terms projects of questionable benefit to citizens. The trade balance widened in the negative as the country's imports grew faster than exports.

The general policy direction and sporadic policy shifts continued to raise concern for some stakeholders, as expectations of investors on property rights were dashed by talk of indigenisation, land invasions and violations of BIPPAs. Stocks tumbled as GoZ threatened to expropriate businesses to enforce indigenisation regulations. This effectively undermined efforts to promote foreign direct investment. As a result, market capitalisation on the ZSE dropped from \$4.1 bn in January to \$3.6 bn in November.

It was however encouraging to note the launch of the Medium Term Plan (MTP), Zimbabwe's national economic development strategy, as well as the introduction of the draft Zimbabwe Industrial Development Policy (ZIDP). Both frameworks will be in force for the period 2011 to 2015. GoZ also launched a corporate governance framework for State Owned Enterprises (SOEs) which have traditionally been characterised by perennial losses, corruption, and lack of accountability, political interference and debt. Ziscosteel was resuscitated under a partnership with a foreign partner. A number of marketing initiatives were initiated to reposition Tourism as a key contributor to the country's GDP.

Some regional and global developments presented some challenges for the country's economy in 2011. South Africa deported a large number of Zimbabweans living and working in that country, threatening the flow of much needed remittances into the economy. Confidence in the Eurozone was reduced as some members' credit rating was downgraded. The International Labour Organisation (ILO) warned that the World was on the verge of a new, deeper jobs recession that could ignite social unrest globally. Analysts say that Zimbabwe may be affected indirectly through trade as it depends heavily on commodity exports. Public debt started rising again in some post HIPC/MDRI economies in Africa and other parts of the world. The debt sustainability framework adopted by GoZ includes HIPC as a key pillar.

Social Sector

The 2011 UN Human Development Index ranked Zimbabwe 173 out of 187 countries, in the Low Human Development category with an HDI of 0.376. The HDI of Sub-Saharan Africa as a region increased from 0.365 in 1980 to 0.463 today, placing Zimbabwe below the regional average. The highest HDI attained was in 0.425 in 1985 and 1990 respectively, whilst it was at 0.366 at independence.

Social service delivery remained poor with some local authorities showing little sensitivity and effectiveness in the face of problems such lack of treated water. Examples of affected communities include Mabelreign, Mabvuku, Borrowdale, Highfields in Harare; as well as towns such as Chinhoyi and Gokwe. Overall,

Zimbabwe was said to be facing an infrastructure deficit of \$14bn in the face of low revenues.

The education sector seemed to experience a revival as there were less strikes, and donors chipped in with resources through the Education Transition Fund (ETF) to reduce the child-textbook ratio. Halls of residence in some tertiary institutions were also re-opened. On the downside however, some families struggled to afford education, with the problem exacerbated when a High Court ruling empowered schools to sue parents who default on fees payment.

The majority of Zimbabweans continued to live in poverty. Citizens could not afford ever rising prices for essentials. By November, the CCZ's family basket had risen to \$546 against a tax threshold of \$225. This liquidity squeeze at household level created an increase in personal and household loans and debt, as people turned to loan sharks and emerging micro-lending institutions. As the country continued to import the bulk of its commodities, especially from South Africa, distorted exchange rates were applied in some parts of the country, negatively affecting consumers. There was also a phenomenon of 'imported inflation' when the Rand fluctuated against the US. This challenge was compounded by lack of goodwill by companies who raised prices even as GoZ re-introduced tariffs on essentials to protect local producers.

Food security was a concern, with rates for chronic and acute child malnutrition standing still at 35% and 2,4% respectively. In his mid year fiscal review statement, the Minister of Finance

1.0 OPERATING ENVIRONMENT

said about 164,000 households were confirmed to be in need of food assistance. The main causes are the legacy of land reform, continued land invasions as well as liquidity challenges for the agricultural sector. Housing was also a challenge for many, with the Minister of National Housing and Social Amenities citing a national housing backlog of 1,2 million.

Legal environment

Legislative reforms which are part of the two-year Government Works Programme launched by the PM in December 2009 fell behind schedule. Laws such as Public Order and Security Act (POSA), Access to Information and Protection of Privacy Act Chapter 10:27 (AIPPA) (AIPPA), Public Health Services Act and the Police Act are examples of laws that should be amended

according to this programme. The business of Parliament was disrupted as noted above. Some Cabinet ministers also played truant, refusing to answer questions in Parliament. Parliament tended to adjourn for long periods in between sessions. There was also low commitment to accelerate passing of laws set the President's.

1.2 THE INTERNAL ENVIRONMENT

The significant changes in the organisations internal environment related to changes in staffing (see 10.1 below) and the regional and national board structures of the organisation as new members were elected to the various ZIMCODD boards (see 7.1.1 below).



ZIMCODD networks extensively to help in driving its objectives. In 2011 it joined other debt movements at the World Social Forum in Dakar to share perspectives on debt crises and in Africa and globally.

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

The specific objectives of the Policy and Advocacy Program are as follows:

- To mobilize ZIMCODD structures, members and stakeholders in promoting active citizen's participation in social and economic policy decision-making processes.
- To provide a mechanism and vehicle for ZIMCODD members to interface with selected arms of government. The aim is to input into national legislation, policy proposals and programs through a systematic policy and advocacy program.
- To effectively inject policy and advocacy dimensions into ZIMCODD's ongoing work on debt, trade and development with a view to influencing policy formulation and promotion of economic justice.
- To carry out research and analysis in selected policy areas and advocate for policy change, justice and human development. The general aim is to promote a culture of participation.

2.1 RESEARCH WORK

Through research, ZIMCODD seeks to create a knowledge base of reference materials on social and economic justice which its members and other stakeholders use to engage and enrich their policy interventions. In order to fill this task, ZIMCODD's Economist (Policy and Advocacy Programme) carries out research, or collaborates with external experts to strengthen ZIMCODD's role in policy advocacy, as well as enriching members understanding of policy issues. During the

period January to December 2011 the following activities were accomplished under research.

2.1.1 Research on the Zimbabwean Debt

An expert was commissioned in April to commence research on the source, growth and impact of Zimbabwe's debts. Some challenges were however encountered in the implementation of the project. In mitigation, the coalition turned to complimentary research done by debt groups in creditor countries, to fill in the information gap. The result was the publication in November by Jubilee Debt Campaign UK of a report entitled '*Uncovering Zimbabwe's debt: The case for a democratic solution to the unjust debt burden*'. Briefly, the research report attempts to document the particular role of economic injustice, through the indebtedness of Zimbabwe and the disastrous economic policies which this debt allowed foreign lenders like the International Monetary Fund (IMF) and World Bank to inflict on the country. It also reinforces ZIMCODD's past calls for a public and transparent official audit of the Zimbabwe debt, through a commission of parliament.

2.1.2 Policy Brief on the Euro-zone Debt Crisis and Lessons for Zimbabwe

A policy brief entitled, "*Reflections on the Euro-zone Debt Crisis and Lessons for Zimbabwe*" was published in June collaboration with Jubilee Debt Campaign, UK. The policy brief was shared with parliamentarians and government ministries

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

in Zimbabwe. The brief takes a critical look at the debt crisis in Europe, particularly in Portugal, Ireland, Greece and Spain (PIGS) and how these countries, the European Union (EU) and multilateral financial institutions have reacted to the crisis. Interesting parallels noted by the brief are the introduction of austerity measures similar to what the countries of the south were subjected to under structural adjustment programs. While the debt crisis in the Euro-zone has been a result of private sector borrowing, the brief notes the conversion of this debt into public debt. The brief concludes by identifying lessons that can be learnt from this crisis and responses thereof as well as making recommendations for Zimbabwe's policy makers. Key amongst its recommendations is the need for the government to set up a commission to publicly audit all debts and cancel unjust and corrupt debts. This policy brief was sent to these institutions together with the African Forum and Network on Debt and Development (AFRODAD's) borrowing charter. The charter provides principles and guidelines on sovereign financial borrowing for Sub Saharan countries.

2.1.3 Briefing paper on the Current Context and Overview of Zimbabwe's Cotton Sector

ZIMCODD commissioned an expert in June to produce a policy brief on the current context and overview of Zimbabwe's Cotton Sector. This was a follow up on the publication of a Policy brief in 2010 entitled '*Strategies for Enhancing Livelihoods and Protecting the Rights of Small Scale Cotton Farmers.*' The main aim of the review is to update stakeholders on the new development within the cotton

sector and livelihoods of farmers since the hosting of a multi stakeholder dialogue by ZIMCODD and other partners in April 2010. Several developments have been noted since the last selling season (2009-2010), which include dollarization, the launch of the Cotton Technical Marketing Committee (CTMC), entry of new buyers, and firming of prices globally amongst other things. This justifies more research to evaluate the impact of new development on smallholder growers to protect their livelihoods.

2.1.4 Study into the Role of Central Banking and its Social and Economic Impacts

On 24 November 2010 ZIMCODD held a meeting to validate preliminary findings of a study entitled "*Understanding the Role of the Financial Sector in Zimbabwe, Central Banking and its Social and Economic Impacts.*" During the period under review, the ZIMCODD Economist carried out further research from gaps identified in the meeting. This is in preparation of the final launch of the study, as well as preparation of a popular version for dissemination to the members of the coalition and other stake holders. Unfortunately, work to publish the report and produce the popular version was not done in 2011 due to limited resources and the exit of the economist from ZIMCODD in September.

2.1.5 Civil Society Monitoring Mechanism (CISOMM)

ZIMCODD continued to contribute content on economic recovery in the CISOMM bi monthly reports, as well as heading

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

the cluster on Economic Recovery on this platform. CISOMM is an independent monitoring mechanism on the implementation of the interparty political agreement of September 2008, also known as the Global Political Agreement (GPA). Four reports were produced during the period under review. The CISOMM meetings did not take place during the period July to December 2011 due to funding challenges.

2.1.6 Research on deindustrialisation of Bulawayo

ZIMCODD carried out research on de-industrialisation in the Bulawayo region. The research was done in response to the desire by ZIMCODD's Labour Cluster in the Southern region to understand general sentiment that Bulawayo was being neglected by investors and government, resulting in shrinkage of its previously impressive industrial base. The preliminary findings were presented at a validation workshop in Bulawayo on 1 September.

Briefly, the research found that de-industrialization in Bulawayo specifically, is due to a confluence of factors, internal, external, historical, contemporary and geo-specific. As regards the historical, the uneven nature of Zimbabwe in development can be explained in historical and contemporary terms. Zimbabwe inherited a system of uneven capitalist development from the colonial era, which resulted in uneven levels of industrialization around the country. Contemporary reasons for uneven development include economic policy formulation, execution and management that lack inclusivity; is short term and too centralized in terms of both governance and geography.

Droughts, apartheid destabilisation, political instability, land seizures, ESAP, debt, policy contradictions, volatile commodity prices, quasi-fiscal policies, capital shortages and unreliable enablers have also contributed to varying extents towards deindustrialization and uneven development in Zimbabwe.

The research also noted that policy responses to deal with the problems of Bulawayo did not seem to take into account all the above factors, and is largely a response to the perceived strategic nature of the region on the run up to the next elections. Amongst recommendations made in the research, ZIMCODD recommends full implementation of implementation of programmes focused on economic recovery in the text of the GPA focused on economic recovery in the text of the GPA and avoid making uneven development in Zimbabwe a mere election campaign issue.

2.1.7 Community Research

ZIMCODD carried out community research on specific topics as a member of the Southern African Peoples' Solidarity Network (SAPSN) under the 'Community Voices' publication series. The research focused on 'Aid Effectiveness in Zimbabwe' and 'Small Scale Farmers Voices on Issues of Climate Change' (Also see 6.1 below).

2.2 POLICY DIALOGUE

ZIMCODD initiates, or participates in policy dialogue to facilitate interaction between its members and policymakers

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

and other stakeholders with the aim of supporting pro-people policymaking. The coalition would also like to encourage informed participation by grassroots in economic decision making in Zimbabwe. These dialogues are also used as a platform by ZIMCODD to glean members' opinions on topical issues. Thus during the 2011 period the following policy engagements were conducted by ZIMCODD.

2.2.1 CSO Consultative Meeting on the Implementation of the Paris Declaration (PD) and the Accra Agenda for Action (AAA) in Zimbabwe

Part of ZIMCODD's current strategic thrust in the short to medium term is to facilitate a dialogue on aid effectiveness in Zimbabwe. This would entail the coalition popularising the Paris Declaration within civil society and facilitating a national consultative forum on aid effectiveness. This would be complimented by engaging and influencing debates around alternative and responsible financing, and tracking aid inflows (quantity, quality source and use).

ZIMCODD, in collaboration with the Womens' Action Group (WAG) and the Poverty Reduction Forum Trust (PRFT) hosted a consultative meeting with civic groups on CSO Consultative Meeting on 'The Implementation of the Paris Declaration (PD) and the Accra Agenda for Action (AAA) in Zimbabwe.' The meeting was held with the support of the Reality of Aid (RoA) and marks the beginning of Zimbabwe CSOs involvement in

monitoring the implementation of the Paris Declaration (PD) and the Accra Agenda Action (AAA) as a build up to the next high level forum in Busan South Korea. The meeting mandated ZIMCODD to play a leading role in coordinating CSOs in Zimbabwe on Aid Effectiveness issues. The coalition had hoped to engage MoF representatives through this forum, where they were expected to give the official position on implementation of the PD in Zimbabwe. Unfortunately, they declined participation at the last minute. Whilst Zimbabwe was not a signatory to the PD has adopted the principles, and has an aid coordination policy and structures to implement them.

2.2.2 Capacity Building Workshop on Zimbabwe's Debt Sustainability Framework

ZIMCODD convened a capacity building workshop for a broad cross section of local CSOs on the Poverty Reduction Strategy Paper (PRSP) process which is embedded in the Highly Indebted Poor Country Initiative (HIPC) model of debt sustainability. HIPC and resource pledging are elements of the strategy that GoZ has previously mooted to deal with its debt obligations. The meeting, which was held with the theme, ***"Towards greater understanding of Zimbabwe's Debt Strategy"*** took place at Cresta Lodge in Harare on 25 August. PRSPs were introduced to link debt relief to poverty reduction after criticism of SAP conditionalities. Participants were also introduced to the mechanics of the PRSP by outlining the process, roles and specific points of engagement/monitoring for CSOs using case studies from other countries.

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

The Head of the newly created Zimbabwe Aid & Debt Management Office (ZAADMO) and other officials of the Ministry participated in the workshop, and helped participants to understand how this new office would interact with stakeholders such as civil society, as well as deal with the country's debt. The meeting was also used to launch the draft research by Jubilee UK on the Zimbabwe debt. Lastly, the meeting was used to give a critical analyse the role of natural resources in financing debt and development.

The meeting could not come up with a final resolution amongst ZIMCODD members on the nature of engagement with the PRSP process if and when it begins. This is understandable given the spectrum of views in the debt movement globally. Moderates have engaged with the process in some countries such as Zambia. However, cynics have interpreted the PRSP approach as an extension of structural adjustment policies as it continues to reinforce and legitimize global inequities. Radicals are therefore in favour of continued pressure on the IFIs to introduce a better debt relief framework, which gives countries a permanent exit from the debt.

2.2.3 Public Meeting on the Global Economic Crisis and Zimbabwe

ZIMCODD, the African Programme on Rethinking Development Economics (APORDE), the Frederick Ebert Stiftung Zimbabwe (FES) and Zimbabwe Alliance (ZA) hosted a public seminar at the Crowne Plaza on the 21st September. The seminar, which is part of ZIMCODD's Economy in

Transition Dialogue Series, run with the theme, "*The Global Economic Crises, and Implications for Zimbabwe's Recovery.*"

The main presenter was Professor Ben Fine from the School of Oriental and African Studies, University of London and lecturer at APORDE. He was joined on the panel by prominent local economist, David Mupamhadzi. The objective of the seminar was to expose the public to possible challenges posed by recent developments in the global economy particularly USA and the Euro-Zone on a transitional economy like Zimbabwe. The meeting was timely and relevant as negative economic developments in the Euro-zone and USA have had knock-on effects on other economies worldwide given the intricate linkages through trade, capital flows and other channels. Participants included officials from key government Ministries, such as the MoF, and a broad spectrum of activists from amongst ZIMCODD's clusters.

2.2.4 Participation in the Ministry of Finance's Consultative Workshop for the Fourth High Level Forum on Aid Effectiveness

ZIMCODD was invited by the MoF to participate as part of a panel during its multi-stakeholder forum, where civil society and other stakeholders could table inputs towards a common country position in Busan. The objectives of the meeting, held in Harare on 10 November 2011 were to provide a forum for national dialogue on aid effectiveness and development agenda in the context of Zimbabwe; and receive inputs from stakeholders with a view to coming up with a country position paper to ensure a common voice in Busan. The workshop was

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

also meant to facilitate an inclusive discussion on achievements made so far and challenges being faced in relation to aid effectiveness in Zimbabwe.

2.3 THE RURAL LIVELIHOODS PROJECT

The Rural Livelihoods project was launched in 2005 to raise awareness on the impact of unjust trade practices on the small-scale cotton farmers in Zimbabwe. Gradually, the objectives of the project have since been broadened beyond awareness raising and campaigning for trade justice to strengthening farmers' groups through the establishment of Commodity Producer Associations (CPAs). The CPAs will effectively represent farmers' interests at all levels whilst lobbying for pro-farmer policies. These processes will be informed by stakeholder consultation and relevant research for sustainable rural livelihoods for the 220 000 households in Zimbabwe who are directly involved in cotton production.

2.3.1 The National Cotton Stakeholders Round Table

ZIMCODD in collaboration with the other members under the trade justice thematic group sponsored by Action Aid International Zimbabwe (AAI-Z) convened a national cotton stakeholder round table on 23 June 2011 at the Jameson Hotel in Harare. The theme of the meeting was, *“Towards Cotton Industry Growth, and Stakeholder Consensus, for Sustainable Livelihoods”*. This meeting was a follow up on a meeting held in April 2010, which sought to facilitate dialogue between the

producers (smallholder cotton farmers) cotton merchants, government and other stakeholders focused on the challenges in the local cotton value chain. The round table aimed to build on deliberations and achievements of the 2009/10 season, which saw the pricing of cotton rising marginally to a price of US\$0.50 cents from US\$.30 cents. The round table was attended by 45 delegates (17 women and 28 men) with the farmers constituting the majority. Twenty-two farmers' representatives were drawn from Guruve, Checheche, Chiredzi, Mt Darwin, Bindura, Muzarabani, Makonde, Gokwe South and North. Activists working in the social and economic justice sector as well as funding partners attended the meeting.

Participants at the meeting also received an explanation of the institutional and policy framework of current pricing mechanisms, after government stepped in with new legislation to regulate the sector in 2009. This was provided by a representative from the Agricultural Marketing Authority (AMA). Farmers were able to make several key demands from other stakeholders in the value chain. For instance, they demanded a review of a recent downward price adjustment in the selling price for cotton. They also called for transparency in the grading process, and drawing up of contracts between buyers and growers. They also appealed to AMA to carry out a thorough outreach at district level so that cotton growers can understand its role and interact more frequently with it. Farmers also requested support with independent credit and input schemes to reduce dependency on the current contract system.

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

Despite participating in previous platforms where stakeholders in the sector met to discuss common challenges, representatives of the CGA were not present to engage in the discussions at the meeting for various reasons. Furthermore some farmers from Gokwe South could not attend the round table for fear of political reprimand as some of the officials in the area erroneously view the ZIMCODD program as a partisan platform. ZIMCODD has however managed to go around such suspicions by inviting councillors and chiefs to its community meetings. During the second half of the year – farmers were more relaxed to discuss with ZIMCODD Program staff during their visits to Gokwe South.

2.3.2 Field visits/Community Meetings

During the 1st quarter of 2011 the ZIMCODD Rural Livelihoods team visited Checheche on 15th February and Gokwe South on 17th March 2011. The main objective on the meetings was to review the activities of 2010 and to plan for 2011 mainly focussing on the pricing of cotton before the farmers started to engage with the various cotton buyers. The meetings indicated that the farmers had started to engage with the various possible buyers of their cotton produce and with suppliers of cotton seed. During the meetings Gokwe farmers indicated that companies such as Alliance and Teraffin had adjusted the prices paid in 2010 to US\$0.70 cents from the US\$0.50 cents per/kg. The Checheche farmers were able to negotiate for seed supply at a cost of US\$15.00 per 20kg bag compared to US\$25.00

they had paid in the previous season. The above shows that the farmers had acquired skills to negotiate with the various suppliers and retain some gains in the process.

ZIMCODD also conducted community meetings with farmers in Gokwe South on May 17th and Checheche on June 16th. The objective of the meeting was to consult farmers on the issues they wanted to highlight during the proposed multi stakeholder round table. During the visits it was noted that some farmers had decided to hold on to their cotton produce as the prices had slumped from US\$0.85 to US\$0.75 cents per/kg. It was also noted during the visit to Checheche that some of the farmers who were perceived to be critical of the buyers were offered employment by members of the ginners association in Checheche. It is plausible to assert that ginners are co-opting farmer representatives as a counter-strategy to the stronger voice of small scale growers.

To follow up on recommendations from the National Cotton Stakeholders Round Table ZIMCODD collaborated with the Agricultural Marketing Authority (AMA) on two outreach meetings for farmers in Gokwe and Checheche on 28th October and 23 November respectively. AMA used the meetings to explain their role as a regulatory institution in the cotton value chain. Where there are disagreements between farmers and cotton companies on pricing, contracts and inputs supplies. The meetings also gave ZIMCODD the opportunity to discuss contract and inputs issues for the 2011/2012 season.

2.0 POLICY AND ADVOCACY PROGRAMME (PAP)

2.3.3 Capacity Building Workshop for Cotton Farmers

To respond to cotton farmers' requests for capacity building in specific areas, ZIMCODD hosted training for farmers in Gokwe and Checheche for skills in market intelligence, business and leadership skills. Farmers had noted their lack of negotiation skills with cotton merchants when they negotiate for contracts and pricing of their produce. The training was conducted in Gokwe and Checheche on 17th and 24th November respectively.

Feedback from the workshops shows that farmers were keen to receive skills in such areas as business skills, record keeping and budgeting, market access and value chain development. Women participants in particular were more interested on the issues of how to establish viable and sustainable savings clubs for self reliance. The discussions also came up with very interesting ideas of using proceeds from the sales of their cotton produce to fund the savings clubs rather than solely depending on ZIMCODD for resources. The farmers were also keen to have user-friendly training kits which could be reviewed regularly on the issues that the workshop discussed e.g. market intelligence and negotiation skills.



The year 2011 was marked by significant internal changes in the coalition's governance, as new members were elected to ZIMCODD's national and regional boards.

3.0 CIVIC PARTICIPATION IN ECONOMIC DEVELOPMENT (CPED) PROGRAMME

The objectives of the program are as follows:

- a) To raise the level of economic literacy among ZIMCODD members, so that all, including grassroots and marginalized communities can participate meaningfully in policy discussions.
- b) To facilitate research, lobby and advocacy to inform pro-people decision making on debt, trade and sustainable development
- c) To formulate credible and sustainable economic and social alternatives

To develop a national coalition and facilitate the building of a vibrant movement for social and economic justice in Zimbabwe.

3.1 ZIMCODD INTERNAL REVIEW OF CPED PROGRAM

The objectives of the internal review were as follows:

- To assess the levels of economic literacy amongst members since launch in 2003
- To assess the degree of empowerment imparted by the programme
- To assess degree of success in social movement building on the coalition's issues
- To assess the effectiveness of the 'process' of delivering CPED to members

Briefly, the majority of sampled members (84%) said that CPED had enabled them to formulate credible and sustainable policy proposals. A majority (91.2%) also said they had a better understanding of debt, trade and sustainable development as a result of their participation in the CPED programme. Overall, the respondents rated the workshop materials as the strength of the CPED programme relative to other aspects (workshop content and the skills of the staff). Respondents said services rendered were generally good and met their expectations though the scheduling of meetings and communication with members needed to be improved. Members made a number of proposals towards strengthening the programme. This included such activities as regularly updating workshop content, designing workshops for previously ignored sectors and using a wider range of media for presentations and Involve membership in programme design and evaluation. Christian Aid, one of the founding partners of CPED, also carried out their own review in June 2011.

3.2 CPED ON UNDERSTANDING ECOLOGICAL DEBT AND CLIMATE CHANGE

During the third quarter of 2011 – ZIMCODD conducted CPEDs which sought to share information with its members on issues relating to Understanding issues around Ecological Debt and Climate Change. These were undertaken to coincide with the COP 17 meeting in Durban South Africa in November-December 2011 respectively. Below are details of the CPED program. The workshops were held in Mutare, Bulawayo

3.0 CIVIC PARTICIPATION IN ECONOMIC DEVELOPMENT (CPED) PROGRAMME

and Harare and Chitungwiza on 11th, 18th and 23rd August respectively. The objectives of the CPED were to:

- Position and re-state the campaign for social and economic rights, as the foundation of ZIMCODD's participation in climate justice
- Create an understanding of the linkage between ecological debt and climate justice
- Present case studies of how livelihoods in Zimbabwe will be affected by the climate change phenomenon (agriculture and manufacturing)
- Facilitate reflection on possible ZIMCODD activities towards and within COP 17
- Launch the ZIMCODD Manual on Ecological Debt and climate Change

The workshops were facilitated by Zimbabwe Environmental Lawyers Association (ZELA) which leads the Environmental cluster in ZIMCODD. The workshops were attended by members from all the ZIMCODD thematic groups including small scale farmers from Gokwe South and Chipinge. In Bulawayo out of 35 participants – 17 were women and 18 were men. In Mutare out of 33 participants – 20 were women and 13 were men. In Harare and Chitungwiza out of 40 participants 25 were women and 15 were men.

ZIMCODD members were appreciative of the knowledge that they received on issues of ecological debt and climate change. The knowledge led them to link some of the changes they were experiencing in the areas and how this had significantly altered their livelihoods. The Small Scale farmers from Gokwe and Chipinge were very appreciative of the CPED as the issues raised resonated with what they were facing as farmers i.e. changing weather patterns and erosions thereby affecting their livelihoods. Farmers from Chipinge in particular linked the discussions to the changes in their livelihoods as a result of ethanol production by an international company collaborating with Zimbabwean partners.

4.0 ZIMCODD CAMPAIGNS

4.1 DEBT AUDIT CAMPAIGN

IN addition to the stalled Zimbabwe debt research, as well as the policy brief mentioned in 2.1.1 and 2.1.2 above, ZIMCODD did the following:

4.1.1 Debtweek Commemoration

From October 8 to 15 ZIMCODD hosted its second commemoration of the ‘Global Week on Debt and IFIs’, otherwise known as Debtweek. Debt week is an initiative of the different movements and organizations in the International South/North Campaign on Illegitimate Debt. During this week, movements and organizations in many parts of the world undertake actions that reflect their own character with respect of indebtedness. The coalition hosted this year’s commemoration with the theme, *‘No Loans for Us without Us’*, to emphasize the need for an inclusive and participatory loan contraction processes in Zimbabwe. Studies carried out by ZIMCODD indicate that Zimbabwe’s loan contraction and debt management lacks transparency, accountability and inclusiveness. Parliament only ratifies loan contracts after they have been negotiated and signed by the Executive arm of government. ZIMCODD has previously made proposals to the Legislature on stronger internal mechanisms to manage public debt, when it passed new public finance legislation in 2010 (the Public Finance Management Act Chapter 22:19). These were however not taken on board, despite several engagements on this issue.

The main activity was the promotion of five public sessions of a play by Savannah Arts Trust, originally launched at the 2010 Debtweek commemorations, entitled *‘No Loans for Us without Us.’* Savannah Trust is a non-profit making organisation that uses theatre for social change. The play is a professional and insightful work of art, which emphasises the need for citizens to be consulted in matters relating to public finance, in particular the public debt. The play was showcased at ‘Theatre in the Park’ in Harare, one of the country’s premier venues for theatre arts in the country.

The premier show was attended by over 50 people from various sectors. Parliament was represented by the Clerks of the Public Accounts and Budget portfolio committees. At the end of each session, the hosts facilitated discussion on the contents. Many participants were unaware of the challenges of the public debt and urged ZIMCODD to take the play on tour around the country. The play also received media attention as respected theatre critics published articles on it.

4.2 CONSTITUTIONAL REFORM CAMPAIGN

4.2.1 Civil Society Dinner with Government on the Constitution Making Process

ZIMCODD continues to use all available opportunities and avenues to lobby and advocate for a social and economically just constitution in Zimbabwe. ZIMCODD has managed to track developments in the constitution making process through

4.0 ZIMCODD CAMPAIGNS

activities that are being coordinated by the National Association of Non Governmental Organisations (NANGO).

On 18 May 2011 the Programmes Director participated in a dinner organised by the National Association of Non Governmental Organisations (NANGO) for senior civil society and government representatives. The objective of the meeting was to create a common understanding of the road map towards the constitutional referendum amongst the targeted stakeholders. The meeting was also meant to clarify the role of civil society at the thematic and drafting stages of the constitutional making process. The meeting was also a platform for activists to outline their own demands regarding participation in the process. The Minister of Constitutional and Parliamentary Affairs and COPAC members from MDC (T) and MDC (M) participated in the meeting. The main outcome of the meeting was detailed clarification by one of the COPAC Co-chairs on the process of collating data from the outreach prior to the drafting of the constitution.

On 7th of September ZIMCODD Harare region program officer attended a Consultative Breakfast meeting on the Constitutional Reform process organised by the Woman's Coalition of Zimbabwe. The meeting was held at the Crown Plaza in Harare. The meeting was addressed by Dr Olivia Muchena and Ms Thokhozani Khupe. The meeting resolved to:

- Consolidate various Civil Society positions on the new constitution

- Popularize the CSO positions and
- Holding of the third all people's constitutional Convention

ZIMCODD noted the draft CSO paper and had made submissions that will continue to lobby for the inclusion of social and economic rights in the bill of rights.

4.2.2 Dialogue for Constitution Building Practitioners

The ED presented a paper at the 'Dialogue for Constitution Building Practitioners' hosted by the Institute for Democracy and Election Assistance (IDEA) between 22 and 23 March in Pretoria, South Africa. The meeting ran with the theme, ***"Constitution building and the dynamics of economic change"***. The paper, entitled *"Actors and Stakeholders in Constitution Building on Economic Choices"*. The objective of the paper was to consider the dynamic interplay of interests among diverse stakeholders in constitution building, including national and external actors, and how they have shaped economic issues in recent constitutional building processes. The presentation identified issues of content or process which generated greatest interest or scrutiny from external actors with regard to economic issues. It also analysed politics that factor into how external actors access constitution building processes to shape their economic outcomes. The opportunity was also used to present ZIMCODD's position on content for a new constitution.

ZIMCODD to intensify calls for debt audit

BY REBECCA MOYO
HARARE

The Zimbabwe Coalition on Debt and Development (ZIMCODD) says it will use the global week of action against debt and international financial institutions commencing this week to intensify calls for an audit of the country's ballooning debt. Zimbabwe owes a staggering US\$6.7 billion to multilateral institutions and various other

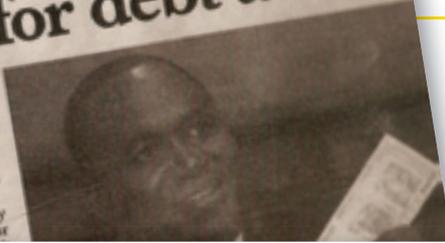
Robert Mugabe's previous governments were used for, with his Zanu (PF) party unwilling to have an independent audit of the debt, especially the portion of funds borrowed on the country's behalf by central bank governor Gideon Gono.

ZIMCODD - which said it will also use the debt week to appeal for commutations from creditors and to press for a review of borrowing and lending policies, said it has lined up public lectures, community theatre and live music themed

on communities. "The coalition has lined up a number of activities to take place in Harare, Bulawayo and Masvingo which include public lectures, community theatre and live music themed on debt," ZIMCODD said.

"The coalition's objective is to use public participation to highlight the social, economic and environmental consequences of unsustainable public debt," ZIMCODD said. The memorandum is dated October 7-9. The international day is October 11-17. 297 organisations from 60 countries will be participating in the

for immediate cancellation of illegitimate debt. Analysts say Zimbabwe's mounting debt is a huge milestone that has helped increase the country's credit risk profile while undermining investment and growth. "The International Monetary Fund (IMF) projection that the country's external debt will reach US\$9.8 billion by 2015 if it is not addressed urgently and systematically. This brings the total debt to US\$8.6 billion, or almost three times the current GDP of US\$3.5 billion. For more information on the topics and submission guidelines for papers, contact Simbiso Marimbe Marasha on simbisom@zimcodd.co.zw - Rejoice Ndlovu



Stop interest on debt: ZIMCODD

By Africa Moyo
THE Zimbabwe Coalition on Debt and Development (ZIMCODD) is calling on the country's creditors to introduce a moratorium on debt servicing in a bid to arrest the growth of interest and penalties so as to prevent the debt from rising further. The desperate call comes on the back of an IMF projection that the country's external debt will reach US\$9.8 billion by

"They (creditors) must immediately introduce a moratorium on debt service to arrest the growth of interest and payments on the debt which is unpayable because of the current state of the Zimbabwean economy," said ZIMCODD in a statement.

Zimbabwe's debt has sparked heated debate in the country on how it should be managed. A number of economic analysts and some members of the business sector have been advocating the adoption of the Heavily Indebted Poor Country (HIPC) initiative to have the debt being rescheduled or for-

and effectively with the external public debt.

Speaking at the Global Week on Debt early October, Zimbabwe Congress of Trade Unions (ZCTU) president Lovemore Mafurisa urged Government not to pay the external debt as that would be "tantamount to throwing money in a latrine".

In a report after annual consultations with the authorities, the IMF said the country's external debt position was "precarious" at about US\$7.1 billion or 162 percent of economic output at the close of last year.

"In the absence of timely corrective policy measures, economic growth would slow down significantly in 2010 and risks in the banking system would continue to rise," the Washington-based financial institution said.

The IMF said it was critical for the country to get debt relief and access to financing for it to operate meaningfully.

Currently, the IMF is only providing "technical assistance" in targeted areas while the World Bank is awaiting grants in support of education and agriculture.

However, despite the shortage of credit lines, the economy has been stabilising since the formation of the inclusive Government.

Minister Datsi recently said the economic growth forecast for this year would be 8.1 percent while the IMF earlier predicted that the economy would slow to 2.2 percent this year from 4.0 percent in 2009, following a contraction of 14 percent the previous year.

ZIMCODD sparks debt debate

HARARE - The Zimbabwe Coalition on Debt and Development (ZIMCODD) has issued a call for the submission of articles for a special edition of its Breakfree newsletter to commemorate the Global week of Action against Debt from October 7-17. Debt week is an initiative of the different movements and organizations in the International South North Campaign on Illegitimate Debt. It was born at the

World Social Forum (WSF) in Nairobi, in 2007.

Since it was sworn-in the coalition government has initiated various programmes to revive the economy e.g. The STERP I and II macroeconomic framework and its imminent successor. The initial amount needed to initiate these programmes is in the region of US\$8 billion. The Minister of Finance says US\$ 45 billion is required to get the country back to its peak level of 1996-97.

Unfortunately, the country cannot generate all these resources internally in the short term, hence the need for external funding. Zimbabwe is also saddled with an unsustainably high level of external debt, estimated to be in the region of US\$7, 1 billion owed to various creditors. It is projected to grow to US\$7, 6 billion by end of 2010, whilst the domestic debt will increase to US\$1 billion in the same

period. The IMF projects that the external debt will grow to US\$9.8 billion by 2015 if it is not addressed urgently and systematically. This brings the total debt to US\$8.6 billion, or almost three times the current GDP of US\$3.5 billion.

For more information on the topics and submission guidelines for papers, contact Simbiso Marimbe Marasha on simbisom@zimcodd.co.zw - Rejoice Ndlovu

ZIMCODD maintains constant contact with the media to spread awareness of its perspectives on development issues.

5.0 COMMUNICATIONS AND ICT PROGRAMME

The objectives of this department are as follows:

- a) To inform and develop shared vision among stakeholders
- b) To promote and support ZIMCODD's objectives by marketing its outputs and dissemination of knowledge to key stakeholders.
- c) To develop the necessary communication systems, policies and procedures and tools for ZIMCODD and its stakeholders.
- d) To encourage the formation of critical mass through availing of important information on social justice.
- e) To develop data bases in all critical management areas of the organization, to ensure a thorough follow through in monitoring and evaluation.

The outcomes achieved in the period under review were as follows:

5.1 PUBLICATIONS

The following publications were printed during the period under review:

- ZIMCODD 2010 Annual Report
- A Citizen's Guide to Understanding Ecological Debt*
- Community voices on Small-Scale Cotton Farming in Zimbabwe (by ZIMCODD)*
- Community voices on Informal Trading in Zimbabwe: The Case of Mutare's Sakubva Township Traders (by ZIMCODD)*

- Community Voices on Impact of Global Financial Crisis on the Southern African Development Community (by Economic Justice Network)*
- The 2010 SADC Peoples' Summit Report
- Policy Brief on Budget and Zimbabwe's Indebtedness
- A Citizen's Guide to Understanding Ecological Debt
- Ugwalo Lukazulu Olokuzwisisa Udaba Lwezikwelede (Ndebele Version of Ecological Debt Manual)
- Community Voices on Aid Effectiveness
- Community Voices on Ecological Debt and Climate Change

* These were commissioned in 2010 but printed in 2011.

5.2 PROMOTIONAL MATERIALS

Branded T-shirts were produced for participants at the Global Aids Week of Action (GAWA). This was also done for the cotton stakeholder roundtable meeting. To commemorate the Debt Week from 11th to 15th October 2011 T-Shirts were produced with the message *"No Loans For us without us."*

5.3 MEDIA LIAISON

ZIMCODD maintained constant contact with the media using press releases, and including them as participants in specific activities. This resulted in significant coverage for the organisation. Below is a snapshot of the type of coverage the Coalition and its areas of focus got in the period under review.

5.0 COMMUNICATIONS AND ICT PROGRAMME

Monitored Issue	#. of articles sampled covering issue	# of sampled articles quoting ZIMCODD	Examples of Published Articles
Mention of Zimbabwe's public debt	18	5	<ul style="list-style-type: none"> • "Zim external debt remains unsustainable" The Zimbabwe Independent Business Digest 11/2/11 • "Activists slam West over Africa's Debt Crisis" The Herald 14/2/11 • "Prioritise creation of debt clearance strategy" The Herald Business 17/2/11 • "Debt stalls Batoka station construction" Zimbabwe Independent 25/2/11 • Debt Trap Cartoon in NewsDay 28/2/11 • "You are offending readers intelligence" Letters to the Editor, The Herald 4/3/11 • "Rebirth of Zim dollar" 10/3/11 • "Zim economic recovery hailed" The Herald 10/3/11 • GoZUNDP Supplement "Keeping the promise" United to achieve the MDGs" NewsDay 11/3/11 • Eric Bloch column "Devious anti-sanctions campaign" Zimbabwe Independent 11/3/11 • "IMF team to discuss US\$7 billion Zimbabwe debt" Zimbabwe Independent Business Digest 11/3/11 • "China extends \$700m funding" NewsDay Business 22/3/11 • "Zim unlikely to pay IMF arrears" The Standard 27/3/11 • "AfDB optimistic of Zim future" The Standard 27/3/11 • Zim faces large financing gap-IMF" The Financial Gazette 7/4/11 • "Zim owes UK£190m" Financial Gazette 2/6/11 • "Outrage over loan for diamonds" The Daily News 5/6/11 • "Iran and Zimbabwe among states owing UK more than 2bn" 5/6/11The independent UK • "Case for odious debt" Daily News 6/6/11 • "Parly must play a significant role in loan contracting" • "Parly ducks austerity duty" Zimbabwe Independent 10/6/11 • "latest IMF report paints gloomy picture" Zimbabwe Independent Business Digest 24/6/11 • "NGO criticizes multilateral creditors on Zimbabwe debt" Xinhua, 5/8/11
Cotton campaign (TJ)	1	1	<ul style="list-style-type: none"> • "Cotton Farmers Demand Fair Pricing" 6/7/11

5.0 COMMUNICATIONS AND ICT PROGRAMME

5.4 ZIMCODD WEBSITE

According to Google Analytics, the ZIMCODD website attracted 3,981 visitors between 1 January and 31 December 2011. This was a significant decline from 4,975 hits registered during the corresponding period during the previous year (See Fig 1 below). The most significant decline was noted from April, when the Communications Officer left the organisation.

Unfortunately the post could not be filled during the period under review, due to challenges with institutional funding. Of the visits recorded in 2011, 34.19% of them were from new visitors. Furthermore, 2,863 of them were direct, as compared to the rest comprised of searches or referrals. The most significant source of traffic was Zimbabwe, which is testimony of the interest generated locally, on the coalition's programmes (See Fig. 2).

Figure 1 ZIMCODD Website Visitors Overview Jan - Dec 2011vs. Jan - Dec 2010

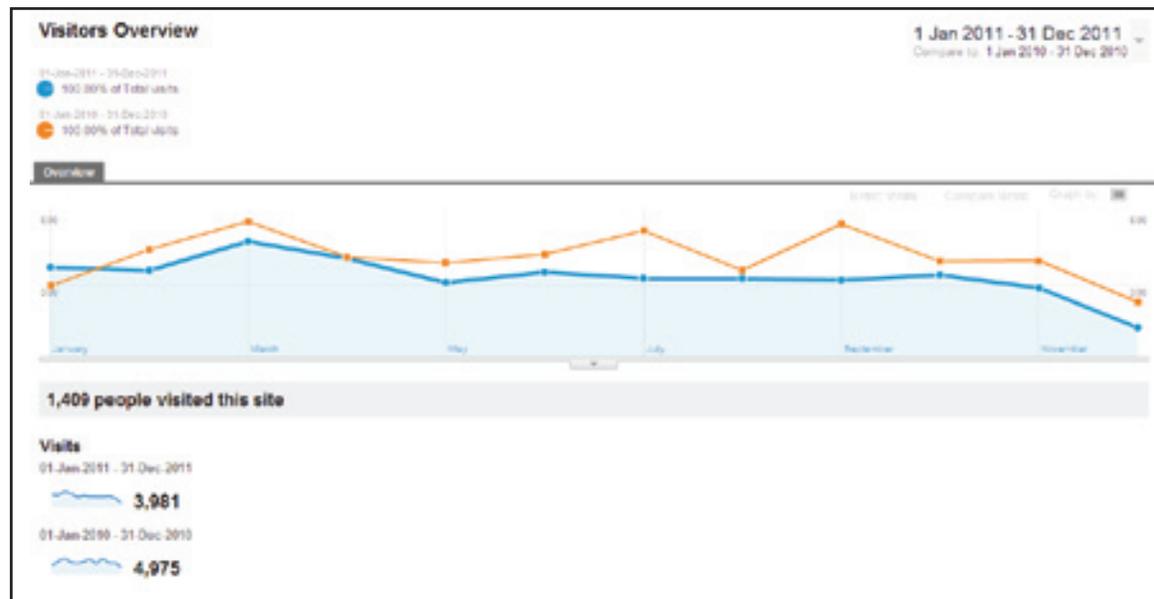


Figure 2 Traffic Sources Overview (Top 13)

Country/Territory	Visits
Zimbabwe	3,033
United States	176
United Kingdom	147
South Africa	132
(Not set)	103
Sweden	50
Germany	29
Philippines	25
Belgium	21
Canada	17
India	15
Netherlands	14
France	13

6.0 Organizational Governance and Development

6.1 GOVERNANCE MEETINGS

6.1.1 Elective General Meetings (EGMs)

The Zimbabwe Coalition on Debt and Development (ZIMCODD) renewed its governance structures, following an Electoral General Meeting held on 31 March 2011. This meeting was preceded by similar processes in the coalition's regional structures in Bulawayo (3 March), Harare (24 March) and Mutare (10 March). The new Chairperson elected was Mr. Joy Mabenge, whilst the new Vice Chairperson is now Mrs. Pauline Sibanda. The following are details of the various boards' composition:

ZIMCODD National Board

- J. Mabenge – Chairperson
- P. Sibanda – Vice Chairperson
- K. Hazangwi – Harare Region Chairperson
- P. Mcijo – Southern Region Chairperson
- E. Ziyera – Mutare Region Chairperson
- S. Dhliwayo - Faith based organisations (ESS)
- A. Matiashe - Women's groups (LRF Mutare)
- M. Kuchera - Disabilities organizations
- M. Kandukutu - Trade unions (ZCTU)
- M. Dhliwayo – Environmental Organisations (ZELA)
- Residents + Social Service Delivery - (BPRA to advise)
- M. Muranda - HIV/ Aids & Health Organisations (FASO)
- S. Kwenda – Arts sector (ADZ)

- C. Magalasi - Regional organisations and research institutes (AFRODAD)
- Debt, trade & economic policy – (Consultations still in progress)

Southern Region

Percy Mcijo - Chairperson
Mziwandile Ndlovu – Vice Chairperson
Debrah Mukasa - Treasurer
Monalisa Sibanda - HIV/ Aids & Health Organisations
Pauline Sibanda - Disabilities organisations
Ntombizodwa Khumalo – Residents associations
Thandolwenkosi Sibindi - Womens' groups
Blessed Ndlovu - Faith based organisations
Phibion Ncube - Arts

Northern Region (Harare)

Kelvin Hazangwi - Chairperson
Tafadzwa Muropa - Vice Chairperson
Nyarai Kaguri - Treasurer
Wilson Borerwe - Debt & Trade
Welcome Zimuto- Students/ Youth
ZCTU - Trade unions
Brian Sarare - Faith based organisations
NASCOH - Disabilities organisations
CHRA – Residents associations
Jimmy Wilford - HIV/ Aids & Health Organisations
Tariro Chikwanha - HIV/ Aids & Health Organisations

6.0 Organizational Governance and Development

(Chitungwiza)

Aurthur Taderera – Residents associations (Chitungwiza)

Alexious Zindoga – Disabilities organisations (Chitungwiza)

Northern Region (Mutare)

Enndy Ziyera - Chairperson

Margaret Muranda - Vice Chairperson

Solomon Chisoni - Treasurer

Mannex Mauya - Students and youth

Gertrude Chimange - Faith based organisations

Chamunorwa Dube - Disabilities organisations

David Mutambirwa - Residents associations

Anna Matiashe - Womens' groups

6.1.2 Board Meetings

The national board met four times in the past year. This included board meetings on 30 March, 13 May and 29 July, as well as a Strategic Retreat held from 22 to 23 September (see 7.1.3 below). The 30 March meeting was for the outgoing board, prior to the EGM whilst the new board met on 13 May. The ZIMCODD Regional Committee meetings facilitate communication, planning and policy direction for membership in the regions where ZIMCODD operates. The Regional Committee meetings feed into the broader national level decision making of ZIMCODD.

Region	Dates
NR Harare	19 January 16 June 18 August
NR Mutare	2 February 19 May 6th October
Southern Region	27 January 24 March 17 June 31st August

6.1.3 ZIMCODD Board Strategic Retreat

The ZIMCODD Board Strategic Retreat was held from 22nd to 23rd September 2011 in Harare. The major objective of the retreat was to orient new members of the ZIMCODD Board and familiarize them with the ZIMCODD current strategic objectives. The new members were given the space and opportunity to raise questions on all issues that ZIMCODD deal with so as to enhance their understanding of the ZIMCODD programs and activities. The meeting also served as a platform for the new members to understand their leadership roles and how they relate to the different structures of ZIMCODD.

6.0 Organizational Governance and Development

6.2 ORGANISATIONAL DEVELOPMENT

6.2.1 ZIMCODD Gender Policy

The national board meeting of 13 May approved the draft ZIMCODD Gender Policy. The goal of the ZIMCODD gender policy is to guide and direct the processes of gender mainstreaming into ZIMCODD policies, structures and programmes, in order to achieve gender equality and women empowerment. The policy provides a framework for gender sensitive programming, administration and governance. The draft had been prepared by a participatory process which included ZIMCODD Board members and staff during a Gender Policy workshop held on 28 January at Cresta Oasis. The development of the document was part of ZIMCODD's action plan for gender mainstreaming following the coalition's

participation in a Gender Capacity Needs Assessment for MS Zimbabwe Partners in 2009. The overall objective of the assignment was to conduct a gender assessment of MS Zimbabwe partner organizations. The assessment focused on assessing and identifying current status of partner organizations' capacity in gender mainstreaming and women's empowerment; gender capacity needs and gaps in the on-going programmes and processes of partner organizations; challenges/constraints faced by partner organizations in gender mainstreaming; and opportunities available for gender mainstreaming.

6.2.2 Deed of Trust Registration

The Zimbabwe Lawyers for Human Rights (ZLHR) successfully lodged a Deed of Trust on behalf of ZIMCODD, with the High Court.

7.0 SPECIAL PROJECTS

7.1 SOUTHERN AFRICAN PEOPLES' SOLIDARITY NETWORK (SAPSN)

As former secretariat for SAPSN ZIMCODD is part of the SAPSN Regional Coordinating Committee. This means that ZIMCODD contributes to the oversight structures in the coordination of SAPSN activities. During the period under review ZIMCODD finalised plans to host a regional Debt conference to discuss the SADC Debt profile in line with mandated activities under SAPSN. ZIMCODD also started to plan around its contribution towards COP17 due to be held in Durban during November 2011. ZIMCODD in collaboration with Economic Justice Network (EJN) and SEATINI will undertake to produce Community Voices to capture peoples' views on issues of Aid Effectiveness and Climate Change. These views will be disseminated to other stakeholders during the COP17 and the Busan Aid Effectiveness Conference due to be held in October 2011. The SAPSN desk at ZIMCODD has also started to plan for the forthcoming Southern Africa Social Forum (SASF) due to be held in Lusaka Zambia during October 2011. ZIMCODD together with other SAPSN members will undertake activities related to social justice in the SAPSN Debt and trade justice tent.

The convening of the regional Debt conference was postponed to 2012.

7.1.1 SADC Peoples' Summit (Luanda – Angola)

On 13th and 14th August ZIMCODD in collaboration with Malawi Economic Justice Network (MEJN) and MOSAIKO convened the Peoples' summit under the theme Reclaiming SADC for Peoples' Development in Southern Africa: Towards Peoples' Right to Land, Water and Food. The attendance of regional delegates was very limited because of costs to host meetings in Luanda. Other logistical challenges arose because of language and quality of translations – but the local participants were keen to highlight some of the challenges they face as Angolans especially in relation to issues of access to land, water and food which had become very expensive because Angola had become a consumer country as opposed to a producer state. An interesting development from the discussions of the Summit was the evaluation of the recommendations of the Heads of State Summit on Water, Land and Food. Discussion groups divided themselves and tackled these recommendations and declarations of previous Heads of State Summits and evaluated the extent of the implementation of such recommendations. The discussion points were used to draft a statement to the Heads of State. The statement highlighted the failure of the Heads of State to deliver their promises on issues of access to land, water and food to the regional citizenry.

7.0 SPECIAL PROJECTS

7.2 ZIMBABWE SOCIAL FORUM (ZSF)

ZIMCODD is the Secretariat for the ZSF space and annual commemoration.

7.2.1 ZSF Governance meetings

Two NOC meetings were held on the 24th of February and 17th of March 2011. The purpose of the 1st meeting was to review 2010 activities as well as plan for the 2011 activities. The 17th of March meeting was used as a planning meeting for the Global Aids Week of Action (GAWA). The meetings encouraged thematic clusters to fund raise for their activities instead of relying on the Secretariat to fund raise for them. The meeting noted that the Arts and Culture and the HIV and AIDS Clusters had taken heed of the call to fund raise for their activities. The National Organizing Committee met on 4th August and 10 October to discussions preparations and program of the Mutare Social Forum and Southern Africa Social Forum respectively.

7.2.3 Zimbabwe Social Forum 3rd Edition

The Zimbabwe Social Forum commemorated the 3rd edition in Mutare on 8 October 2011. The commemoration theme was “Demanding Accountability and Transparency in the Extraction of Natural Resources to guarantee our Social and Economic Rights”. A total of 435 participants attended the forum – 261 women and 139 men. The highlights of the Forum included the leadership by the ZIMCODD Cotton farmers from Gokwe and

Checheche in leading discussions on the issues of ecological debt and climate change.

7.2.4 Global Aids week of Action (GAWA)

The ZSF convened the GAWA Road Show on the 28th of May 2011 at Machipisa Grounds in Highfields, Harare. The theme of the event was “Advancing Universal Access to Treatment”. The event brought together people from different walks of life to reflect on the work and demand government to continue to “keep the promises” on universal access to HIV prevention, treatment care and support. The aim of the road show was to provide a platform for activists to demand a stronger response, greater accountability and more resources for the fight against HIV/AIDS. The road show also aimed at raising awareness on the perspectives and priorities of people living with HIV/AIDS. An estimated 2,000 people attended the road show.

A total of 165 people were tested for HIV/AIDS by a partner organization Population Services International (PSI) at the event. Participants at the meeting drafted a declaration which was handed over to the ZNNP+ official who was going to be present at the 2011 UNGASS meeting in France on the 9th of June 2011. The delegates to the GAWA Show also noted that there was need to continue the partnership between PSI, ZSF and other organizations in co-hosting the GAWA event in order to spread the costs and to widen the target groups who will attend the GAWA event. Road shows had originally been planned for Harare, Mutare, Chitungwiza and Bulawayo but only one show could be undertaken as there was no adequate funding.

7.2.5 Southern Africa Social Forum

The Southern Africa Social Forum was held in Lusaka Zambia from 13 to 15th October 2011 under the theme “Southern Africa Peoples’ Actions against Political, Economic and Social Oppression.” ZIMCODD had a delegation 50 participants. Most of the ZIMCODD activities at the SASF event were undertaken in the SAPSN Tent. SEATTINI presented regional research findings on Experiences of Small Traders arising from regional free trade agreements focussing on people’s livelihoods. The research findings aroused a lot of interest and discussion from regional small scale farmers whose livelihoods were being affected by the policies. From the discussion the delegates in the tent agreed that there was need to continuously lobby policy makers to tackle the livelihoods issues and also for the small producers to strengthen themselves by forming and building strong associations that they can be building locks to tackle the livelihoods issues.



In 2011, ZIMCODD continued to support small scale cotton producers, to ensure their concerns are heard amongst other stakeholders in the local value chain.

8.0 NETWORKING

ZIMCODD networks extensively locally, regionally and internationally to help in driving the objective of, “developing a national coalition, and facilitate the building of a vibrant movement for social and economic justice.” ZIMCODD exploits various opportunities to position itself as an integral part of the fight for sustainable and social justice. During the period under review, numerous opportunities were opened up which made an impact on the Coalition’s work. The activities included the following:

- Mass Public Opinion Institute (MPOI) Dissemination meetings in Harare (26 January and 5 December 2011)
- Meeting on ‘Debt Crises and IFIs in Africa and Globally’ at the World Social Forum in Dakar Senegal (February 2011)
- Better Aid Coordinating Group (BACG) Coordination meetings Harnosand, Sweden from 12th – 18 March 2011
- Afrikagrupperna (AGS) Partners Meeting in Bulawayo (5-6 April 2011)
- ZCTU Workers’ Day Commemoration at Gwanzura Stadium, Harare (1 May 2011)
- European Network on Debt and Development (EURODAD) Conference, Rome (18-20 May 2011)
- OSISA Economic Justice Partners’ Dialogue, Pretoria (30-31 May 2011)
- African Initiative on Mining, Environment and Society (AIMES) meeting hosted by ZELA, Harare, 21- 24 June)
- Labour and Economic Development Research Institute of Zimbabwe (LERDIZ) Launch of ‘Beyond the Enclave’ in Harare (30 June 2011)
- ZELA ‘Publish What you Pay’ Launch, Harare (26 July 2011)
- AFRODAD Regional Meeting on Loan contraction processes in Africa and Launch of Borrowing Charter, Nairobi (26-27 September, 2011)
- Crisis in Zimbabwe Coalition AGM, Bulawayo (21 October 2011)
- Participation in the COP17 in Durban from 5th to 8th December

9 HUMAN RESOURCES AND DEVELOPMENT

9.1 STAFFING AND ORGANISATIONAL STRUCTURE

The Communications Officer left the organization at the end of April 2011 to join the Zimbabwe Women Resource Centre Network. The Policy and Advocacy Economist also left in September.

9.2 TRAINING AND SKILLS DEVELOPMENT

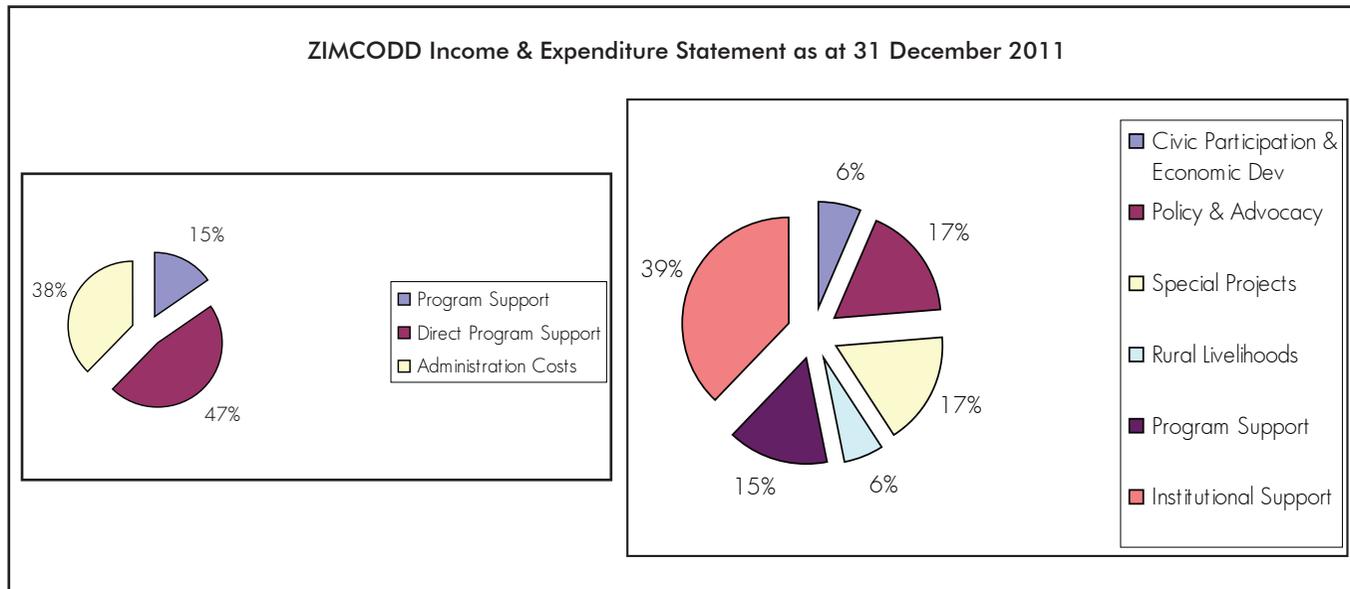
ZIMCODD continuously reviews its staff capacities in terms of the skills they require to competently carry out their duties. To this end ZIMCODD takes advantage of training opportunities for its officers offered by related institutions in Zimbabwe, the region and abroad. During 2009 the ZIMCODD staff was exposed to various training as indicated in the table below:

Course/Workshop Title	Participant	Sponsor/Facilitator
Security and protection workshop, 1 March	All staff	Zimbabwe Lawyers for Human Rights (ZLHR)
Gender capacity building training workshop, 14-16 June 2011	Southern Region Program Officer	AGS
Financial Management Fiduciary duties of the Board of the Executive Directors and Action Aid Whistle Blowing Policy and Mutual Accountability	Finance Director	Action Aid International Zimbabwe
Capacity Building on Monitoring and Evaluation, 24 June	ZIMCODD Program and Administrative Staff	Action Aid International
Workshop on report writing and documentation organized by MS-Action Aid , 19-21 July	Harare Region Program Officer and Special Projects Officer	MS-Action Aid International
Business Skills, Leadership Skills and Saving Clubs 17 and 24 November	Small Scale Farmers in Gokwe and Checheche	MS-Action Aid International
Lead For Change Seminar organized by Southern Africa Trust from 29 Sept to 3 October	Executive Director	Southern Africa Trust (SAT)

10 Finance and Administration

The main challenges in the first six months related to late disbursements from funding partners. The normal delay in the first quarter (during the audit and finalisation of the audited financial statements) was experienced. However there was also an additional delay on disbursements for specific programmes, particularly CPED. However, during the second quarter of the first six months most of the funding partners such as the Africa Groups of Sweden, DED and Action Aid International had disbursed funds. The last six months of 2011 witnessed an improved in flow of funding for ZIMCODD.

The funding being received by ZIMCODD continues to be inadequate as the institution is not receiving enough funds towards institutional support e.g. certain positions have not been filled in due to funding challenges. The following funders have supported the institution during the period under review: Africa Groups of Sweden, Trust Africa, Christian Aid, Diakonia Sweden, Action Aid, OSISA, Norwegian Church Aid, DED, Global Green Grants, FES, and Rosa Luxemburg among others. The Unaudited Financial Report as at 31 December 2011 is attached herewith.



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Debt to balloon - IMF ...as donors push HIPC

HARARE - The International Monetary Fund (IMF) has predicted that Zimbabwe's external debt will balloon to US\$13.4 billion by 2013. The groups have called for a full public audit of the country's current US\$5.7 billion debt amid fears that it has been stolen by President Robert Mugabe's previous administration. Zimbabwe currently owes US\$7 billion to external creditors. This represents 78 per cent of GDP in 2008, a 1.8 billion of the country's 2008 GDP.

The Monetary Fund predicted that Zimbabwe's external debt will balloon to US\$13.4 billion by 2013. The groups have called for a full public audit of the country's current US\$5.7 billion debt amid fears that it has been stolen by President Robert Mugabe's previous administration. Zimbabwe currently owes US\$7 billion to external creditors. This represents 78 per cent of GDP in 2008, a 1.8 billion of the country's 2008 GDP.

Zimbabwe should find other solutions before adopting

Zimbabwe is currently locked in a conundrum of whether to declare itself a Heavily Indebted Poor Country to get the staggering debt written off by the Paris Club of government lenders that Zimbabwe owes. Finance minister Tendinotai Ruwema has said Zimbabwe's aim is to have a public audit of the country's US\$5.7 billion debt. They want to assess the legitimacy of the debt amid concerns this money could have been plundered from the treasury.

The HIPC Initiative is a long, fraught process which is tied to a whole range of sometimes controversial macroeconomic conditions.

Zim weighed down by US\$4,6 billion debt

Paul Nyakazeya

ZIMBABWE was saddled with a foreign debt of US\$4,6 billion as at June 30 2009, the Minister of Finance Tendai Biti said this week. Biti said the debt burden would place "severe constraints on the economic recovery prospects if unmonitored, especially considering that the country requires over US\$1 billion to revitalise the external debt service."

view to formulate an optimal sustainable debt strategy with the broader macroeconomic policy objectives of the national development strategy. Biti said government will monitor the process of external debt service.

30 SEPTEMBER 2010 PM

ZIMCODD sparks debt debate

HARARE - The Zimbabwe Development Coalition (ZIMCODD) has issued a call for the submission of articles for a special issue of its Breakfree newsletter to commemorate the global week of Action against Debt from October 7-17. Debt week is an initiative of the different movements and organizations.

World Social Forum (WSF) in Nairobi, in 2007. Since it was sworn in the coalition government has initiated various programmes to revive the economy e.g. The STERP I and II macroeconomic framework and its imminent successor. The initial amount needed to initiate these programmes is US\$1.8 billion.

Unfortunately, the country cannot generate all these resources internally in the short term, hence the need for external funding. Zimbabwe is also saddled with an unsustainably high level of external debt.

The IMF projects that the external debt will grow to US\$9.8 billion by 2015 if it is not addressed urgently and systematically. This brings the total external debt to US\$14.4 billion.

Zim external debt remains unsustainable

Paul Nyakazeya

ZIMBABWE'S total external debt was US\$6,929 billion by December 31 2010, representing 103% of the country's Gross Domestic Product (GDP) - a level which is above the international debt sustainability level of 60% - figures from the Reserve Bank of Zimbabwe show. This means with an estimated population of 14 million, Zimbabweans each owe local and financial institutions US\$495 million.

equally, the tightly regulated industries such as telecommunications needed to be further liberalised so that government generates more revenue from taxation. "The stone-age mentality of having tightly regulated industries for no-one's benefit except government policy," he said.

The Zimbabwean government is said to have provided along political lines on how to contain the country's debt. Indications suggest a chasm in the political hierarchy over the minister Tendai Biti's recommendation for the Highly Indebted Poor Country (HIPC) initiative.