

Data Sheet

USAID Mission:	Zimbabwe
Program Title:	Increased Access to Economic Opportunities
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	613-010
Proposed FY 2004 Obligation:	\$500,000 CSH; \$700,000 ESF
Prior Year Unobligated:	\$977,000 DA
Proposed FY 2005 Obligation:	\$500,000 CSH; \$111,000 DA
Year of Initial Obligation:	FY 2000
Year of Final Obligation:	FY 2005

Summary: The objective of the program is to increase access to economic opportunities for disadvantaged groups in rural and peri-urban Zimbabwe. The success of the program is measured by the number of disadvantaged households, including those affected by HIV/AIDS that access economic opportunities. Access to economic opportunities includes increased provision of business, communications and technical services, including new markets for subsistence farmers' agricultural produce. Food security activities that also provide income have recently become a centerpiece of the program, in light of Zimbabwe's persistent food crisis and severe economic contraction.

Inputs, Outputs, Activities:

FY 2004 Program:

In 2003, seven million people (approximately 60% of all Zimbabweans) benefited from food aid. Approximately 7.5 million people (65%) will require food aid in 2004. Food security, therefore, remains a major issue of concern. This objective will also provide business and related services to 71,000 households in rural and peri-urban Zimbabwe. The target for 2003 was 64,000 people served.

Improved access to financial services for disadvantaged groups. Using previously obligated funds, the program will provide technical support to two leading micro-finance institutions that have the capacity and potential to withstand the impact of the current economic downturn. Zambuko Trust will focus on its long-term transformation into a specialized bank providing financial and related services to small and micro-businesses. MicroKing, a subsidiary of a local financial services group, will receive technical support to structure a loan guarantee program to complement its expansion into rural areas. Three credit unions will continue receiving support under a pilot program to help them increase membership, improve internal systems and introduce new products, e.g., a funeral benefit scheme for members. In-kind loans for seed and agricultural inputs will be distributed to approximately 33,000 households through activities of participating non-governmental organizations (NGOs) and for-profit companies. This will contribute to improved food security for targeted groups. Principal contractors: Development Alternatives Inc.; Zambuko Trust; local NGOs; MicroKing.

Targeted groups equipped with business skills (\$977,000 prior year DA; \$700,000 ESF; \$500,000 CSH). USAID will provide business development, communications, and technical training services to improve business, agricultural productivity and access to better markets. Technical training will include basic agronomic practices, use of low-cost drip irrigation technologies, product quality control, marketing, management of out-grower contracts, and capacity strengthening of commodity associations. Activities that provide food security and that have income-generating potential and a high HIV/AIDS mitigation impact will be emphasized. Activities will include the distribution of 14,000 drip irrigation kits, accompanied by basic agronomic training, to improve the agricultural productivity of participating households. The program will also distribute seed packs for drought-tolerant crops to 30,000 households. Seed distribution will be accompanied by basic agronomic and business training services. The program will fund operational expenses of 12 business opportunity centers in FY 2004, thus allowing selected

communities to access business training and support services to improve their livelihoods. Principal contractors: Development Alternatives Inc.; local NGOs.

FY 2005 Program:

Program activities may potentially reach 78,000 households in FY 2005 depending on funding levels and current legislative restrictions on work in Zimbabwe. Activities for FY 2005 may be geared toward consolidating program gains and mapping out a strategy to ensure that on-going economic growth activities will continue operating without further USAID support.

Improved access to financial services by the disadvantaged (\$111,000 DA). Depending on macro-economic conditions, the program may provide up to 62,000 micro-loans and other financial services to targeted groups through continued support to the two leading microfinance institutions in Zimbabwe, Zambuko and Microking. In-kind seed or agricultural input loans disbursed through selected NGOs may continue or expand in FY 2005. Principal contractors: Development Alternatives Inc.; Zambuko Trust; local NGOs; MicroKing.

Targeted groups equipped with business skills (\$500,000 CSH). Approximately 109,000 beneficiaries will receive business, communications, technical training and other services. Of these, 41,000 may be related to improved market access and food security activities. Continuation of activities that provide food security and that have income-generating potential and a high HIV/AIDS mitigation impact will continue to be emphasized. No new activities are contemplated after June 2005, since the program is scheduled for completion by September 2005. Principal contractors: Development Alternatives Inc.; local NGOs.

Performance and Results: The program achieved significant success in 2003 by reaching 70,021 households, compared with the target of 64,000 households. Approximately 420,126 individuals benefited from these USAID-funded services.

A total of 141,210 non-financial services, such as training in bookkeeping and production improvement, were provided against a target of 76,000 services in FY 2003. To date, the program has 70 separate interventions implemented through grants and contracts with 60 partners. Impact surveys carried out on selected program activities, e.g., the small grains and commercial linkage project, indicate that participants have benefited from improved food security and improved diets (77%), as well as more adequate clothing (39%).

By helping disadvantaged groups realize economic opportunities in Zimbabwe, households will address their food security concerns, mitigate the impact of HIV/AIDS through improved diets, and earn more income. By the end of the project, 241,049 households will have benefited from the program, with some having received multiple services.

US Financing in Thousands of Dollars

Zimbabwe

613-010 Increased Access to Economic Opportunities	CSH	DA	DFA	ESF
Through September 30, 2002				
Obligations	1,500	3,950	105	500
Expenditures	717	1,055	105	0
Unliquidated	783	2,895	0	500
Fiscal Year 2003				
Obligations	500	375	0	0
Expenditures	783	2,496	0	434
Through September 30, 2003				
Obligations	2,000	4,325	105	500
Expenditures	1,500	3,551	105	434
Unliquidated	500	774	0	66
Prior Year Unobligated Funds				
Obligations	0	977	0	0
Planned Fiscal Year 2004 NOA				
Obligations	500	0	0	700
Total Planned Fiscal Year 2004				
Obligations	500	977	0	700
Proposed Fiscal Year 2005 NOA				
Obligations	500	111	0	0
Future Obligations	0	0	0	0
Est. Total Cost	3,000	5,413	105	1,200