



MEFMI

Macroeconomic and Financial Management
Institute of Eastern and Southern Africa

MEFMI Retreat on Natural Resources Management

Capacity Building Project

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Kadoma Hotel & Conference Center, Zimbabwe

THE WAY FORWARD AND CLOSING REMARKS

BY MEFMI EXECUTIVE DIRECTOR

DR. CALEB M. FUNDANGA

- **Honourable Permanent Secretary, Ministry of Finance, Government of Zimbabwe**
- **Senior Officials from Ministry of Finance, RBZ, ZIMRA and Chamber of Mines,**
- **MEFMI Staff.**

1. It is a great honour and pleasure for me to preside over the closing ceremony of this critical **Retreat on Natural Resources Management Capacity Building Project (NRM-CBP)** for the MEFMI region and Zimbabwe. I am quite convinced that the last three (3) days have been most productive with regard to brainstorming on the Project strategic documents.
2. I would like to thank all the stakeholders who been kind to attend and contribute to the success of this activity.
3. Allow me also to register MEFMI's appreciation to the Government of Zimbabwe for the sustained support to MEFMI activities through technical assistance, guidance at various fora, and financial contributions.
4. I wish to particularly register my appreciation to Mr Willard Manungo, Permanent Secretary, Ministry of Finance Zimbabwe for attending this Retreat and providing valuable contributions to the Project. This is a reflection of his commitment and that of the

Government of Zimbabwe to have this Project at its inception stage which provides a solid ground for implementation.

Ladies and Gentlemen,

5. I was informed that you had enriching debates and discussions on *why the Project is being initiated now?* These are the answers that you deliberated on: expanding the extractive sector with the new discoveries; dwindling donor funding; widening income inequality and increasing poverty despite natural resources abundance; inadequate skills and experience in extractive sector; and expressed support from partners of mutual interest. These are indeed strong justifications and appeal for implementation of the Project.

6. In this regard, allow me to present the following Project roadmap and suggestions on some of the critical issues raised.

a) ***Launching of the Project in line with the agreed Action Plan.***

MEFMI will organize and fund the launching of the Project, the event, which will, among other things, involve official dissemination of the Norway Report and MEFMI Study on Natural Resources Management.

b) ***Negotiations for Project Funding.*** MEFMI will finalize the MOU with the CMI and negotiate for the signing by the two parties at mutually beneficial terms. As deliberated during this

Retreat, MEFMI will explore other funding avenues for the project, including identifying other technical and financial collaborating partners to support the Project.

c) ***Expanding the scope of the Project to attract more donors.***

Proposal to augment the scope of the Project to accommodate aspects such as forestry, wildlife and biodiversity is taken up for implementation. This will be effected in tandem with the execution of the Project in its current scope.

d) ***Increasing Project outreach to non-MEFMI clients' institutions.***

MEFMI concurs with the suggestion to accommodate in the Project, potential beneficiaries which are not core client institutions of MEFMI, but pose strong influence to the success of the Project. These include Ministries of Mining, Industry and Trade, Justice and the private sector associations such as Chamber of Mines. The proposal will be presented in the upcoming meeting of the MEFMI Board of Governors for more thoughts and approval.

MEFMI will also explore possibilities of reaching out the proposed stakeholders through the Ministries of Finance.

e) ***Engaging legislative arms in addressing complex policy issues such as governance and coordination of the policies.***

MEFMI will strengthen its outreach to critical stakeholders, particularly

parliament. Going forward, these stakeholders will provide suitable forum for debate on research findings and case studies including governance in natural resources.

f) *Special activities for Zimbabwe. Capacity building for Zimbabwe* remains at the centre of the Project. Negotiations with the Norwegian Government and other partners will propose the need for special funding to ring-fence Zimbabwe activities. In the meantime, the MEFMI appeals for sharing of information on the ongoing Zimbabwe initiatives on natural resources management including the recently launched Sovereign Wealth Fund Act (2014) which is under the Ministry of Finance and accessing of publications and research work at ZIMRA.

As for the key challenges facing Zimbabwe such as low contribution of the mining sector to GDP, mineral leakages, illicit flows, generous tax regime (with excessive tax incentives/expenditures) for mining companies and soft spots on mining legislations, MEFMI will append them in the Project document and appeal for the donors' support. As for the resolution of the retreat, MEFMI supports the ongoing process to subscribe Zimbabwe to Extractive Industries Transparency Initiatives (EITI).

g) *Fellow Development Programme.* This is the core component of the Project, and MEFMI takes into account the potential risks

and remedial measures recommended during this Retreat. These include the need to address low responses during Fellows recruitment, retention and utilization. I strongly agree that broader publicity at high level fora is needed, including undertaking visits to some nonparticipating member states. Introducing bonding conditions are also among measures to achieve Fellows retention. Other proposed aspects related to availability of quality Mentors will be addressed as well, for instance, through enhanced collaboration with institutions with comparative advantages like the African Economic Research Consortium (AERC).

- h) ***Expanding coverage of attachments to include officials who are not Fellows.*** This will be considered in the Project as one of the capacity building interventions to meet the capacity needs of critical staff who are not legible to the Fellowship Development Programme (FDP).

- i) ***Gender mainstreaming.*** MEFMI have taken note of the weak score on mainstreaming gender in some MEFMI capacity areas, particularly FDP. Affirmative actions and other supportive policies will be put in place, particularly in NRM CBP Project. Gender related indicators will be clearly articulated and ring-fenced in the Project and monitored in accordance to MEFMI Monitoring and Evaluation (M&E) Framework.

j) *Other crosscutting issues critical for the Project such as* strengthening of MEFMI communication and publicity approaches is noted as a valid recommendation. Going forward, the Secretariat will make its calendar of events/prospectus easily accessible by disseminating them downstream beyond the key offices of the ministries and banks to revenue authorities and statistical offices. Deliberate policies and efforts will also be muted to cater for the Portuguese and French speaking members to enhance outreach.

Ladies and Gentlemen,

7. Let me hasten to say that we need to move from mere rhetoric to action. Let's walk the talk. We all want to see the successful implementation of the Project to our region.

8. With these few remarks, it is my honour to declare this Retreat officially closed.