The International Monetary Fund (IMF) recently gave a damning report on Zimbabwe, saying that the Southern African nation was "off-track" in benchmarks set by the Fund's Monetary and Financial Sector Program (MFS). Zimbabwe Deputy Finance Minister and Finance Policy Assistant Dr Moyo said there were several pressing issues that had to be addressed immediately.

“The IMF has identified Government policy failures as the biggest constraint to achieving growth,” Dr Moyo said.

Dr Moyo further explained that the IMF had come up with three policy recommendations aimed at stabilising the economy and improving governance in the country.

The three recommendations are:

1. Reducing exchange rate
2. Fiscal discipline
3. Improving governance


**The IMF recommends:**

1. **Exchange Rate:**
   - The IMF is concerned about the exchange rate and recommends that it be targeted to the way. For instance, subsidies should be protected in an efficient manner.
   - The IMF also highlighted the issue of holding reserve money tight, which is a problem for Zimbabwe.

2. **Fiscal Discipline:**
   - The IMF noted that the authorities were implementing policies that they had announced, officially.
   - The IMF highlighted the need to conduct an efficient and effective forecasting track record.
   - The IMF also mentioned that the authorities were implementing policies that they had announced, officially.

3. **Governance:**
   - The IMF discussed the governance and corruption issues in the country.
   - The IMF recommended that the government improve the business environment.
   - The IMF also highlighted the importance of reducing macroeconomic imbalances.
   - The IMF recommended that the authorities implement policies that they have announced, officially.
   - The IMF also highlighted the need to conduct an efficient and effective forecasting track record.


**In conclusion:**

The IMF report is a wake-up call for the government of Zimbabwe, urging it to take swift and decisive action to address the issues highlighted.

The report emphasizes the importance of fiscal discipline, efficient exchange rate management, and improving governance in order to stabilize the economy and ensure long-term economic growth.

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**Policy Implications:**

1. **Exchange Rate:**
   - The government should aim to stabilize the exchange rate by adopting policies that are consistent with its commitment to macroeconomic stability.
   - The government should prioritize policies that target inflation and promote price stability, thereby stabilizing the exchange rate.

2. **Fiscal Discipline:**
   - The government should adopt a fiscal policy that is consistent with its long-term development goals and aims to balance the budget.
   - The government should review its budgetary allocations and focus on areas that promote economic growth and social welfare.

3. **Governance:**
   - The government should focus on improving governance and reducing corruption, which is crucial for the country's economic development.
   - The government should strengthen its institutions, ensure transparency, and promote good governance practices.

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**References:**

1. IMF report on Zimbabwe, 2020
2. World Bank report on Zimbabwe, 2020
3. Economist Intelligence Unit report on Zimbabwe, 2020

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**Additional Information:**

- The IMF report highlights the need for Zimbabwe to address inflation, exchange rate instability, and corruption to create a stable and conducive environment for economic growth.
- The government should work closely with Zimbabwe's international partners, including the World Bank and the African Development Bank, to access needed financial assistance and support.

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**Conclusion:**

The report by the IMF is a critical reminder of the challenges facing Zimbabwe and the urgent need for the government to take appropriate actions to stabilize the economy and improve governance.