



2025

MID-TERM BUDGET AND ECONOMIC REVIEW

“Building Resilience for Sustained Economic Transformation”

Presented to the Parliament of Zimbabwe by **HON. PROF. MTHULI NCUBE**,
Minister of Finance, Economic Development and Investment Promotion

31 JULY 2025



ZIMBABWE

THE 2025 MID-TERM BUDGET AND ECONOMIC REVIEW

“Building Resilience for Sustained Economic Transformation”

By

HON. PROF. MTHULI NCUBE

**MINISTER OF FINANCE, ECONOMIC DEVELOPMENT
& INVESTMENT PROMOTION**

Harare, 31 July 2025

CONTENTS

INTRODUCTION	1
RECENT ECONOMIC DEVELOPMENTS & OUTLOOK	3
Global Economy.....	4
<i>Sub-Saharan Africa.....</i>	<i>6</i>
<i>Global Inflation</i>	<i>8</i>
<i>International Commodity Prices.....</i>	<i>9</i>
<i>Trade.....</i>	<i>13</i>
<i>Downside Risks</i>	<i>14</i>
<i>Opportunities.....</i>	<i>15</i>
Domestic Economic Developments and Outlook.....	16
<i>Sectoral Developments.....</i>	<i>22</i>
<i>Agriculture</i>	<i>22</i>
<i>Grain</i>	<i>24</i>
<i>Tobacco.....</i>	<i>26</i>
<i>Winter Wheat</i>	<i>27</i>
<i>Livestock Production.....</i>	<i>27</i>
<i>Irrigation Development</i>	<i>28</i>
<i>Upgrading of GMB Silos</i>	<i>30</i>
<i>Mining</i>	<i>33</i>
<i>Gold</i>	<i>35</i>
<i>Coal.....</i>	<i>37</i>
<i>Diamond.....</i>	<i>38</i>
<i>Nickel</i>	38
<i>Lithium</i>	<i>39</i>
<i>Manufacturing</i>	<i>40</i>
<i>Tourism</i>	<i>43</i>
<i>Inflation</i>	<i>47</i>
<i>Exchange Rate</i>	<i>48</i>
<i>External Sector</i>	<i>49</i>
<i>Current Account.....</i>	<i>50</i>
<i>Merchandise Exports</i>	<i>51</i>

<i>Merchandise Imports</i>	53
<i>Remittances</i>	54
<i>Direct Investment</i>	54
<i>Investment Approvals</i>	55
<i>Special Economic Zones (SEZs)</i>	56
<i>Transport and Logistics</i>	56
<i>Wholesale and Retail</i>	57
<i>Consumer Protection</i>	58
<i>Business Malpractices and Anti-Smuggling Blitz</i>	58
<i>Mutapa Investment Fund</i>	60
FINANCIAL SECTOR DEVELOPMENTS AND OUTLOOK	62
Banking	63
<i>Capitalisation</i>	63
<i>Banking Sector Loans and Advances</i>	64
<i>Asset Quality</i>	66
Monetary Developments	67
<i>Reserve Money</i>	67
<i>Broad Money Developments</i>	68
Financial Inclusion	70
<i>Credit Infrastructure</i>	71
Insurance and Pensions	75
<i>Pensions Industry</i>	75
<i>Industry Assets</i>	76
<i>Compliant with Prescribed Assets</i>	77
<i>Pre-2009 Insurance and Pension Compensation</i>	78
<i>Insurance Industry</i>	79
<i>Revenue Performance</i>	80
<i>Minimum Capital Requirements</i>	82
<i>Agriculture Index Insurance: Farmers Basket</i>	82
<i>African Risk Capacity Drought Insurance</i>	83
<i>Marine Insurance</i>	84
<i>Anti-Money Laundering, Combating the Financing of Terror-</i>	

<i>ism and Proliferation Financing</i>	84
Capital Market Performance	86
<i>Zimbabwe Stock Exchange</i>	86
<i>Victoria Falls Stock Exchange</i>	88
<i>Victoria Falls International Financial Centre (VFIFC)</i>	91
PUBLIC DEBT	92
<i>Debt Service</i>	94
<i>Financing</i>	96
<i>Arrears Clearance and Debt Resolution Process</i>	99
THE 2025 NATIONAL BUDGET FISCAL FRAMEWORK	101
<i>Budget Performance</i>	103
Revenue	104
Outlook	106
Expenditures	108
<i>Compensation of Employees</i>	112
<i>Social Services</i>	113
<i>Education</i>	114
<i>Primary and Secondary Education</i>	115
<i>Higher and Tertiary Education</i>	118
Research and Innovation	121
Skills Audit	124
Health	125
<i>Cancer Equipment</i>	130
Social Benefits	131
<i>Vulnerable Agriculture Input Scheme</i>	132
Women, Gender Equity and SMEs	132
<i>Mbare Market Redevelopment</i>	135
Youth, Sports, Arts and Culture	136
Veterans of the Liberation Struggle	138
Infrastructure, ICT and Digital Economy	139
Transport	141
<i>Road Projects</i>	142
<i>Rural Feeder Roads</i>	148

Water and Sanitation	150
<i>Kunzvi Dam</i>	151
<i>Gwayi-Shangani Dam</i>	152
<i>Presidential Rural Development Programme</i>	154
Energy	155
<i>Energy Compact</i>	159
Information Communication and Technology (ICT) and Digital Economy	161
<i>Smart Government Private Cloud</i>	161
<i>Advancing Smart Health Systems</i>	162
<i>The Presidential Internet Scheme</i>	163
<i>Development of National Technology Park</i>	164
<i>Smart Education Programme</i>	164
<i>Universal Services Fund</i>	165
<i>nformation, Publicity and Broadcasting</i>	167
Housing Delivery	168
<i>Courts</i>	168
<i>Prisons</i>	170
<i>Institutional Accommodation</i>	170
<i>Chanceries</i>	174
<i>Interventions from the Private Sector</i>	175
Environment	176
Peace and Security	177
Monitoring and Evaluation	178
REGIONAL ENGAGEMENTS: SADC	179
DEVELOPMENT PARTNER SUPPORT	182
NATIONAL DEVELOPMENT STRATEGY 2 (NDS 2)	183
COST OF DOING BUSINESS	185
CONCLUSION	187

TABLES

Table 1: Global GDP Growth Projections	5
Table 2: Sub-Saharan Africa GDP Growth (%).....	6
Table 3: SADC GDP Growth (%).....	7
Table 4: International Commodity Price Indices	10
Table 5: Gross Domestic Product by Industry at Current Prices (ZiGm).....	17
Table 6: Implied New GDP Ratios	18
Table 7: Sectoral Contribution to GDP: 2024	19
Table 8: GDP Growth (%).....	20
Table 9: GDP Growth by Expenditure (%).....	21
Table 10: Food Crops Production Estimates (MT)	23
Table 11: Grain Production Estimates (MT).....	24
Table 12: GMB Grain Delivery as at 30 June 2025	25
Table 13: Tobacco Sales as at 21 July 2025	26
Table 14: Winter Wheat Preparations as at 17 July 2025	27
Table 15: Livestock.....	28
Table 16: Mining Projections	34
Table 17: Gold Output	35
Table 18: PGMs Performance	37
Table 19: Coal Production	37
Table 20: Diamond Output.....	38
Table 21: Nickel Output	39
Table 22: Lithium Output	40
Table 23: Volume of Manufacturing Index	41
Table 24: Average Hotel Room Occupancy.....	45
Table 25: Tourism Receipts	45
Table 26: Total Foreign Currency Receipts.....	50
Table 27: Merchandise Exports US\$M	52
Table 28: Merchandise Imports US\$M	53
Table 29: Financial Inclusion Indicators.....	71

Table 30: Compliance Status with Prescribed Assets as at 31 March 2025.....	78
Table 31: Insurance for the Industry Assets	80
Table 32: Foreign Currency Business (US\$ million).....	81
Table 33: ZSE Indices	87
Table 34: VFEX Indices	89
Table 35: PPG Debt Stock - End March 2025 (ZiG millions).....	92
Table 36: PPG Debt Stock - End March 2025 (US\$ millions).....	93
Table 37: External Debt Service - Jan to May 2025 (US\$ millions)...	95
Table 38: ZiG Domestic Debt Payments - Jan to Jun 2025 (millions).....	96
Table 39: USD Domestic Debt Payments - Jan to Jun 2025 (millions).....	96
Table 40: 2025 Treasury Bills Jan – Jun (millions)	97
Table 41: 2025 Annual Borrowing Plan (ZiG/US\$ millions)	98
Table 42: External Loan Disbursement – End April 2025 (US\$ millions).....	99
Table 43: Fiscal Framework (ZiGM)	101
Table 44: Fiscal Framework (US\$M)	102
Table 45: Public Finances: Jan - Jun 2025.....	103
Table 46: Revenue Collections: Jan - Jun 2025	104
Table 47: Budget Performance: Jan to Jun 2025 (ZiG Billions).....	108
Table 48: Expenditure by MDAs: Jan – Jun 2025 (ZiG Millions)	110
Table 49: Wages and Salaries.....	112
Table 50: Rehabilitation and Upgrading of Health Institutions.....	127
Table 51: Infrastructure Expenditure Mix (ZiG).....	141
Table 52: ZINARA Disbursements.....	146
Table 53: Emergency Roads Rehabilitation Programme.....	146
Table 54: Milestones on Priority Projects	147
Table 55: Infrastructure Projects undertaken by RIDA	149
Table 56: Feeder Roads	149
Table 57: Completed Energy Projects	157
Table 58: Development Partner Support (US\$).....	183

TABLES OF FIGURES

Figure 1: Global Inflation (%).....	9
Figure 2: Brent Crude Oil.....	11
Figure 3: Base Metals.....	11
Figure 4: Precious Metals.....	12
Figure 5: International Food Prices	13
Figure 6: Gold Prices.....	35
Figure 7: Platinum and Palladium Prices.....	36
Figure 8: Lithium Output.....	39
Figure 9: Capacity Utilisation Projection.....	42
Figure 10: International Tourist Arrivals	44
Figure 11: Average Hotel Room Occupancy	44
Figure 12: Tourism Receipts and Investments	45
Figure 13: ZIG Monthly Inflation	47
Figure 14: US\$ Annual Inflation.....	48
Figure 15: Exchange Rates Developments.....	49
Figure 16: Current Account (US\$ millions)	51
Figure 17: Provincial Inspections.....	59
Figure 18: Sectorial Distribution of Loans as at 31 March 2025.....	65
Figure 19: Distribution of Private Sector Credit	66
Figure 20: Trend in Non-performing Loans (%).....	67
Figure 21: Reserve Money Components as at April 2025.....	68
Figure 22: Composition of Money Supply.....	69
Figure 23: Local Currency Component of Broad Money	69
Figure 24: Monthly Credit Registry Inquiries	72
Figure 25: Types of Registered Movable Assets as at 31 March 2025	73
Figure 26: Types of Movable Assets Pledged by Women as at 31 March 2025.....	74
Figure 27: Total Collateral Pledged by MSMES as at 31 March 2025...	75
Figure 28: Pensions Industry Asset Composition	76
Figure 29: Insurance Revenue (ZiG Million).....	81

Figure 30: ZSE Indices	87
Figure 31 ZSE Market Capitalisation.....	88
Figure 32: ZSE Turnover	88
Figure 33: VFEX All Share Index.....	89
Figure 34: VFEX Market Capitalisation	90
Figure 35: VFEX Turnover.....	91
Figure 36: Revenue Head Contribution to Total Revenue	105
Figure 37: Expenditures: Jan-Jun 2025 (ZiG Billion).....	109
Figure 38: Expenditure Heads Performance	110

INTRODUCTION

1. On 18 December 2024, Parliament approved the 2025 Government financial plan, the National Budget running under the theme “*Building Resilience for Sustained Economic Transformation*”. Its implementation during the first half of the year was on course despite the fast-changing global environment.
2. Notwithstanding, domestic economic developments are upbeat on account of a better than anticipated agricultural season, characterised by projected higher output across all crops, with high prospects of food self-sufficiency. The favourable agricultural season is attributable to good rainfall received during the season, albeit not evenly distributed. This also resulted in significant water inflows at Kariba Dam, which allows improved electricity generation at Kariba Hydro-Power Station.
3. This, combined with relative economic stability, has provided a conducive domestic economic environment. Inflation and exchange rate were relatively stable during the first half of 2025 on the back of sustained tight monetary and fiscal policy stance and positive current account, anchoring inflation expectations and reducing speculative opportunities.

4. On the fiscal front, revenue collections were generally above target in real terms. However, the withdrawal of development partner support presented a challenge on the fiscus, as this had not been anticipated during the Budget formulation stage. Consequently, fiscal pressures were elevated requiring realignment and adjustment, as well as exploring other innovative financing mechanisms.
5. In addition, the imposition of trade tariffs, as well as retaliatory tariffs, presents downside risks to both domestic and global economic outlook, negatively impacting international trade. As a result, international mineral commodity prices have continued on a declining trend, dampening domestic mining activities with the exception of few minerals, including gold.
6. The drastic changes in the global economy experienced during the first half of the year, calls for implementation of equally responsive policies to strengthen domestic resource mobilisation in order to reduce donor dependency and build resilience of the domestic economy. This perfectly fits the theme of this Budget, “*Building Resilience for Sustained Economic Transformation*”. This, however, requires concerted efforts by both Government and the private sector to diversify the economy to withstand shocks.

7. This 2025 Mid Term Budget and Economic Review Statement, therefore, provides detailed global and domestic economic developments, as well as progress on the implementation of the 2025 National Budget during the first half of the year. It also highlights the realignment of policies and programmes to achieve the objectives of the National Development Strategy (NDS1).
8. This Statement has been produced in line with the prescribed budget process calendar, as outlined in the Public Finance Management (General) Regulations, 2019, published in Statutory Instrument 135 of 2019, as read with the Public Finance Management (General) (Amendment) Regulations, 2021 published in Statutory Instrument 127A of 2021. These regulations require the Minister responsible for Finance, Economic Development and Investment Promotion to provide the Mid-Year Fiscal Review no later than 31st July.

RECENT ECONOMIC DEVELOPMENTS & OUTLOOK

9. Global economic growth prospects have deteriorated since the formulation of the 2025 National Budget. Although the global economy initially appeared to be stabilising following a prolonged period of unprecedented shocks, recent developments have shifted the landscape. Governments

worldwide are realigning their policy priorities amid rising uncertainty.

10. Global growth forecasts have been significantly revised downward compared to projections made in October 2024. This is largely attributed to the impact of effective tariff rates which have reached levels not seen in a century, coupled with an increasingly unpredictable environment.
11. Similarly, global headline inflation is now expected to decline at a slower pace than previously anticipated.
12. On the domestic front, the economy is expected to achieve the targeted growth of 6% following a post drought recovery in agriculture, particularly in maize and tobacco production, increased investment in the mining sector targeting minerals such as gold, lithium and iron mining, as well as improved economic stability. Despite global economic uncertainties which could negatively impact the country's export receipts, the economy is expected to achieve the growth target for the year.

Global Economy

13. Global economic growth is now projected at 2.8%, down from the 3.2% forecast made in October 2024, according to

the IMF World Economic Outlook Report (April 2025). This downward revision reflects anticipated increases in trade and geo-political tensions, as well as adjustments in financial markets. The rapid escalation of trade wars and exceptionally high levels of policy uncertainty are expected to significantly affect global economic activity, while diminished policy buffers reduce resilience to future shocks.

14. Furthermore, the medium-term outlook indicates that global economic growth for 2025 is projected to remain below the 2000-2019 historical average of 3.8%. This is attributed to the ongoing impact of high central bank interest rates aimed at controlling inflation, the reduction of fiscal support and consistently low productivity levels.

Table 1: Global GDP Growth Projections

	2024	Init 2025	Rev 2025
World	3.3	3.2	2.8
Advanced Economies	1.8	1.8	1.4
United Kingdom	1.1	1.5	1.1
Germany	-0.2	0.8	0
United States	2.8	2.2	1.8
European Union	0.9	1.2	0.8
Emerging Markets	4.3	4.2	3.7
China	5.0	4.5	4.0
India	6.5	6.5	6.2
Sub-Saharan Africa	4.0	4.2	3.8
Nigeria	3.4	3.2	3.0
South Africa	0.6	1.5	0.9

Source: IMF World Economic Outlook (April 2025)

15. Economic growth in advanced economies and emerging markets & developing economies is expected to slow-down, with economic activity projected to be 0.4 and 0.5 percentage points lower than previously estimated for 2025, respectively. This reflects rising global economic instability fuelled by escalating trade tensions and heightened trade policy uncertainty.

Sub-Saharan Africa

16. The Sub-Saharan Africa economic growth is now projected at 3.8% in 2025, down from the October 2024 projection of 4.2%. The downward revision is on account of the negative effects of weather shocks, weak global demand, declining commodity prices and tighter financial conditions, with commodity-exporting countries and those heavily reliant on U.S. trade experiencing the most significant impact.

Table 2: Sub-Saharan Africa GDP Growth (%)

	2024	Init 2025	Rev 2025
Sub-Saharan Africa	4.0	4.2	3.8
Nigeria	3.4	3.2	3.0
Angola	4.5	2.8	2.4
South Africa	0.6	1.5	0.9
Mauritius	4.7	4.0	3.0
Ethiopia	8.1	6.5	6.6
Zambia	4.0	6.6	6.2
Malawi	1.8	4.0	3.5
Zimbabwe	1.7	6.0	6.0

Source: IMF REO April 2025 Update

17. The region’s economic powerhouse, South Africa, is projected to grow by 0.9% in 2025, constrained by high interest rates, emerging global trade barriers and ongoing transport and logistics challenges. Nigeria’s economy is projected to dip to 3%, down from 3.2%, largely due to falling global oil prices.
18. Similarly, real GDP growth of the Southern African Development Community (SADC) is now projected at 2.8% in 2025, a downward revision from the October 2024 projection of 3.3%.

Table 3: SADC GDP Growth (%)

	2024	2025
Southern African Development Community (SADC)	2.7	2.8
Botswana	-3.0	-0.4
Lesotho	2.6	1.5
Madagascar	4.2	3.9
Mozambique	1.9	2.5
Namibia	3.7	3.8
Eswatini	3.7	5.1
Tanzania	5.4	6.0
Zimbabwe	1.7	6.0

Source: IMF REO April 2025 Update

19. Although the region is experiencing modest positive economic growth, it remains susceptible to global external shocks, including tightening financial conditions that have resulted in funding constraints, rising debt burdens and high borrowing costs. In addition, the frequency and severity of climate-related events such as droughts and floods continue to rise, further straining economic resilience. Deepening geopolitical

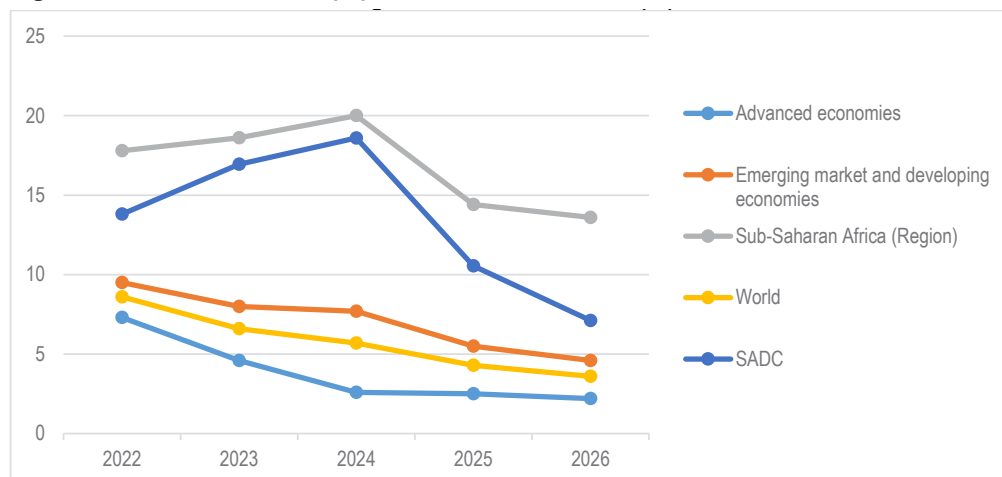
fragmentation, regional conflicts and rising global uncertainty further cloud the outlook in the short to medium term.

20. The expiration of the African Growth and Opportunity Act (AGOA) in September 2025, together with no clear indications for its renewal, worsens the uncertainty of the region's economic outlook.
21. Notwithstanding, some countries within the Sub-Saharan African region are projected to record high growth rates, demonstrating resilience under recurrent and compounding shocks, as well as declining Official Development Assistance (ODA). The tariff shock is poised to have asymmetric impacts on countries.

Global Inflation

22. Global headline inflation is now projected to reach 4.3% in 2025, 0.1 percentage point higher than the 4.2% projected in October 2024. The higher than anticipated inflation level is on account of escalating trade tensions, heightened economic policy uncertainty and persistent inflationary pressures. However, the impact varies significantly across countries, reflecting differences in economic structure, monetary policy responses and external shocks vulnerabilities.

Figure 1: Global Inflation (%)



Source: IMF: Datasets: April 2025

23. In advanced economies, inflation is expected to ease slightly to an average of 2.5% in 2025, while in Sub-Saharan Africa, inflation is projected to moderate to 14.4% by year end, reflecting ongoing efforts to stabilise prices amid persistent economic pressures.

International Commodity Prices

24. The World Bank projects 12.4% decline of the global commodity price index in 2025 compared to 2024, a reflection of subdued demand for key commodities emanating from slowing global economic activities.

Table 4: International Commodity Price Indices

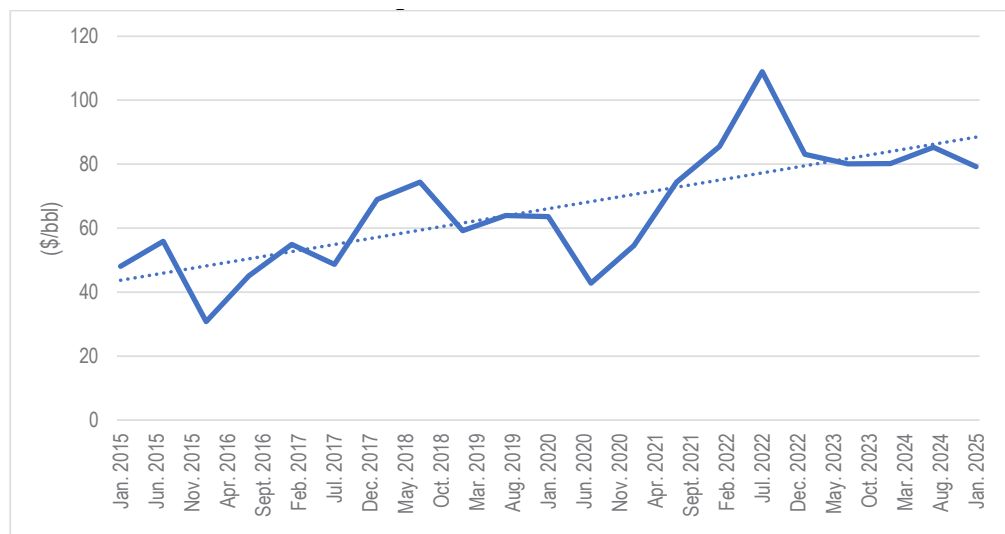
	2024	2025 f
Energy	101.5	83.8
Non-energy commodities	112.5	108.8
Agriculture	115	114
Beverages	176.4	211.1
Food	115.8	107.7
Oils	106.9	99.6
Grains	112.9	101
Other food	130.4	124.3
Raw materials	81.6	79.8
Fertilizers	117.6	126.1
Metals and minerals	106.7	96.2
Base Metals	114.1	103.5
Precious Metals	180.2	239.6

Source: World Bank Commodity Markets Outlook; April 2025

25. The energy price index is expected to decline by 17.4% in 2025, due to waning prices of coal, crude oil and liquefied natural gas amid ongoing trade tensions and economic fragility.

26. Oil prices are projected to decrease this year, with brent crude oil price expected to average \$64/bbl down from \$80.70/bbl in 2024. This downward revision reflects a sharp decline in global demand expectations, driven by rising trade tensions coupled with OPEC+'s larger-than-expected increase in oil production.

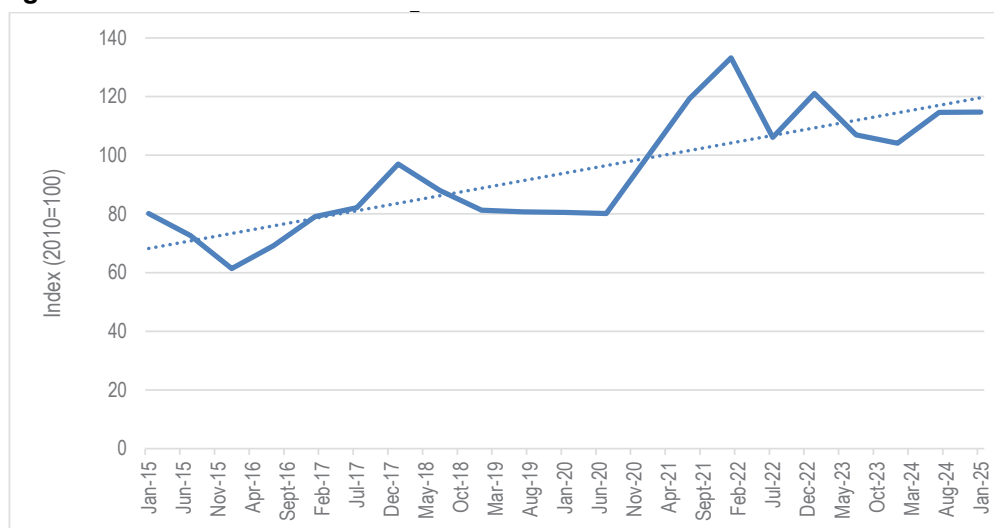
Figure 2: Brent Crude Oil



Source: World Bank Pink Sheets, April 2025

27. The base metal price index is projected to decrease by 9.3% in 2025, on account of price decreases for copper, iron, lead, nickel, zinc and aluminium owing to reduced demand and increased supply, as well as the potential impact of tariffs.

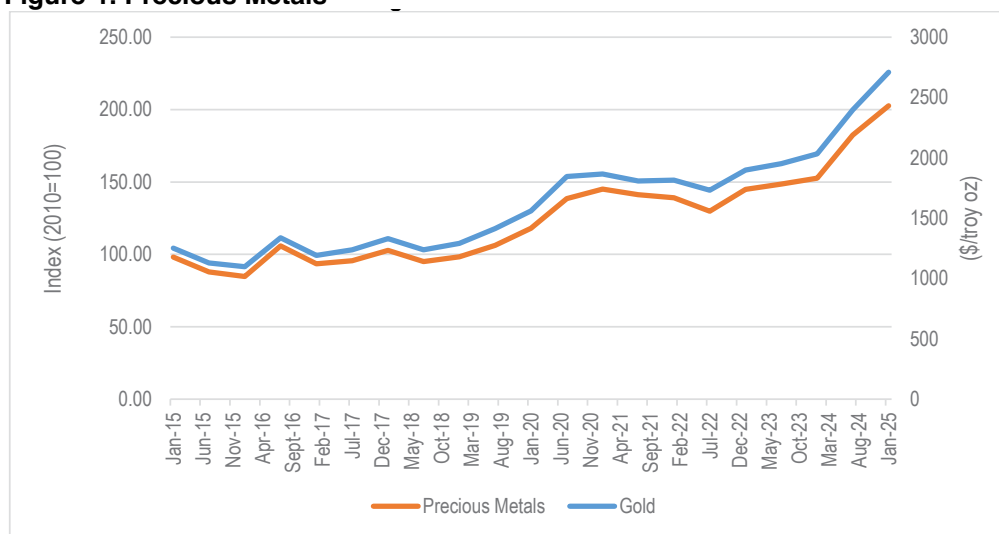
Figure 3: Base Metals



Source: World Bank Pink Sheets, April 2025

28. The precious metals price index is projected to increase significantly by 33% in 2025, attributable to high inflation and geopolitical tensions, which has led investors to rally towards gold as a safe haven, increasing demand and pushing the price higher.

Figure 4: Precious Metals

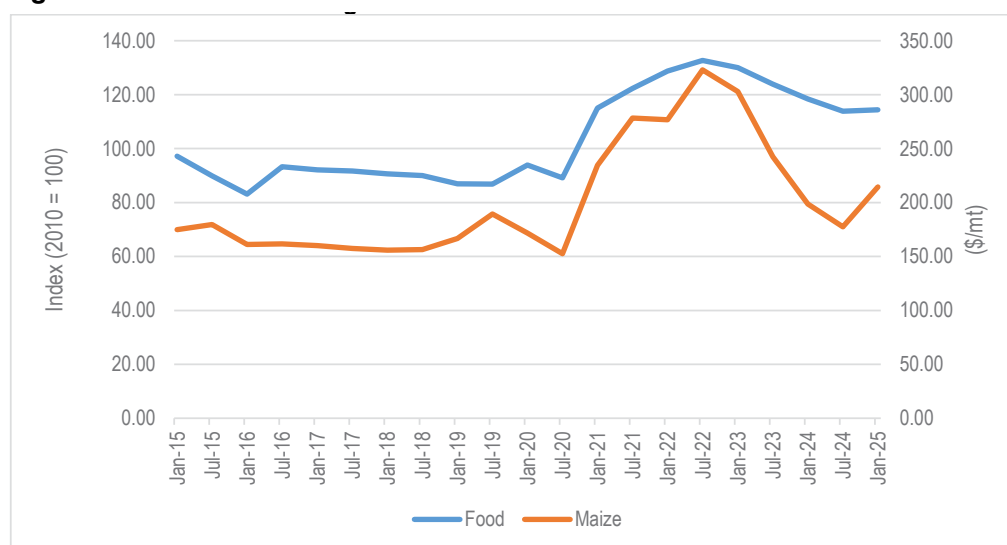


Source: World Bank Pink Sheets, April 2025

29. International food prices are forecast to fall by 7% in 2025, largely driven by a sharp decline in rice prices resulting from abundant global supplies and the loosening of export restrictions by India, one of the major producers.
30. Specifically, grain prices are projected to fall by 10.5%, largely reflecting a substantial 28.5% decrease in rice price, due to increased global production and the easing of export restrictions on rice. India, which accounts for approximately

40% of global rice exports is forecasted to increase rice output by 5% in the 2024/25 season, contributing to the downward trend. Globally, rice production is expected to grow by 2%. Meanwhile, maize and wheat prices are projected to decline modestly by 1.9% and 2.1%, respectively in 2025.

Figure 5: International Food Prices



Source: World Bank Pink Sheets, April 2025

31. On the other hand, prices of agricultural raw materials are expected to rise, with fertiliser prices projected to increase by 7.2%. This uptick is attributed to high production costs and increased global demand.

Trade

32. Global trade is projected to grow by 1.7% in 2025, a downward revision of 1.5 percentage points from the January 2025 World

Economic Outlook Update. This revised forecast reflects the impact of increased tariff restrictions, which are constraining trade flows.

Downside Risks

33. Overall, the risks to the global trade outlook remain tilted to the downside in both the short and medium term. Escalating trade measures and prolonged policy uncertainty are expected to weigh on global output, though the magnitude of the impact will vary across countries. In the medium term, the most affected economies are likely to include China, the United States and a broad set of countries across Asia and Europe.
34. However, some nations may find opportunities amid the disruption by consolidating their trade networks, repositioning within global value chains and benefiting from increased domestic value added in traded goods. These structural shifts could yield positive long-term effects for more agile or strategically positioned economies.
35. Financial market volatility and corrections could intensify in some countries, particularly if inflation persists or regains upward momentum due to new policy developments. In such a scenario, central banks may be compelled to maintain interest rates at higher levels than currently anticipated, leading to

widening cross-country interest rate differentials. This, in turn, could trigger capital outflows and contribute to tighter financial conditions, especially in emerging market and developing economies.

Opportunities

36. Continued elevated trade policy uncertainty could serve as a catalyst for renewed momentum toward regional, plurilateral and multilateral trade agreements, offering a pathway to mitigate risks and enhance policy predictability.
37. The resolution or de-escalation of ongoing conflicts could contribute to a decline in global commodity prices and enable the reallocation of resources toward more productive and growth-enhancing activities.
38. A broad-based acceleration of structural reforms driven in part by peer benchmarking among nations and the pressures of challenging global macroeconomic conditions could substantially boost economic growth. Streamlining regulations and reducing bureaucratic barriers would facilitate market entry, increase competition and enhance business dynamism. Moreover, better-integrated financial, labour and product markets would provide the scale and depth necessary to foster

innovation and accelerate productivity growth through more efficient resource allocation.

Domestic Economic Developments and Outlook

39. The domestic economic developments were updated taking in to account actual GDP outturn for the year 2024, developments during the first half of the year and results of the economic census, as well as rebasing undertaken by ZIMSTAT.
40. According to ZIMSTAT, GDP growth for the year 2024 is estimated at 1.7%, slightly lower than the projection of 2%. The lower growth is primarily due to subdued performance in the agriculture, manufacturing and tourism sectors.
41. ZIMSTAT completed the 2025 Economic Census which covered economic activities for the year 2023. The Census, undertaken between 2024 and the first quarter of 2025, provided critical insights into the structure and size of the country's economy.
42. The Census identified 204 798 operational establishments, of which the majority (76.1%) were informal. Of this, 1.6% were in the large to medium category, while 98.4% were small and micro enterprises.

43. Subsequently, ZIMSTAT revised the national accounts for the year 2023. According to the updated estimates, Zimbabwe's GDP for the year 2023 was revised upwards to ZWL168.8 trillion (approximately US\$44.5 billion) from the earlier estimate of ZWL133.7 trillion (US\$35.2 billion). Nominal GDP for 2024 is now estimated at ZiG822.9 billion (approximately US\$45.7 billion), while in 2025 it is projected at ZiG1.5 trillion (approximately US\$48.5 billion). Resultantly, Gross National Income (GNI) per capita now stands at approximately US\$3 000.

Table 5: Gross Domestic Product by Industry at Current Prices (ZiGm)

Industry	2023	2024
Agriculture, Forestry and Fishing	7,765.79	71,500.59
Mining and Quarrying	8,813.96	117,948.07
Manufacturing	10,321.85	128,086.65
Electricity, Gas, Steam and Air Conditioning Supply	1,370.66	17,952.20
Water Supply; Sewerage, Waste Management and Remediation Activities	315.96	3,804.98
Construction	1,644.61	20,175.70
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	7,981.50	97,070.55
Transportation and Storage	2,088.37	26,909.74
Accommodation and Food Service Activities	1,484.08	21,180.44
Information and Communication	1,251.61	15,207.62
Financial and Insurance Activities	7,342.96	90,216.02
Real Estate Activities	1,740.76	21,066.40
Professional, Scientific and Technical Activities	444.53	5,302.11
Administrative and support service activities	1,645.53	19,801.54
Public Administration and Defence; Compulsory Social Security	2,945.77	39,860.91
Education	2,838.55	34,587.19
Human Health and Social Work Activities	1,364.25	16,852.78
Arts, Entertainment and Recreation	87.69	1,050.53
Other Services	2,030.02	24,491.62

Industry	2023	2024
Activities of Households as Employers & Producing Activities	238.84	2,852.91
GDP at Basic Prices	63,717.29	775,918.55
Net Taxes on Products	3,841.47	47,019.74
Taxes on Products	3,931.65	48,134.72
Less Subsidies on Products	90.17	1,114.97
GDP at Market Prices	67,558.76	822,938.29

44. This results in a notable contraction of the revenue-to-GDP ratio, which declines from 14.6% to 11.6% in 2023, and from 18% to 14.3% in 2024. Public debt to GDP in US\$ terms also declines to about 46.5%, from above 60% and is below the Sub-Saharan average of 61%.
45. This essentially means that Zimbabwe is not over-indebted but has a debt service and liquidity challenge. While the debt-to-GDP ratio for 2024 is relatively contained, restoring debt sustainability requires the resolution of the large stock of arrears, while reducing the current liquidity pressures.

Table 6: Implied New GDP Ratios

	2023 Old	2023 New	2024 Old	2024 New
National Accounts				
GNI Per Capita Income (US\$)	2,258.5	2,859.0	2,214.9	2,893.0
Nominal GDP at market prices (Million ZiG)	53,508.7	67,558.8	632,058.9	822,938.3
Nominal GDP at market prices (Million US\$)	35,231.4	44,482.3	35,114.28	45,718.79
Real GDP Growth (%)	5.3	5.3	2.0	1.7
Government Accounts				
Revenues	7,838.3	7,838.3	117,853.5	117,853.5
% of GDP	14.6	11.6	18.6	14.3

Expenditures & Net Lending (Million ZIG)	11,260.6	11,260.6	113,853.5	113,853.5
% of GDP	21.0	16.7	18.0	13.8
Expenses	6,477.2	6,477.2	84,892.0	84,892.0
% of GDP	12.1	9.6	13.4	10.3
Compensation of Employees	3,679.0	3,679.0	55,925.2	55,925.2
% of GDP	6.9	5.4	8.8	6.8
% Total Expenditure	32.7	32.7	49.1	49.1
% of Revenue	46.9	46.9	47.5	47.5
Capital Expenditure	4,783.3	4,783.3	28,961.5	28,961.5
% of GDP	8.9	7.1	4.6	3.5
Overall Balance	-3,422.3	-3,422.3	4,000.1	4,000.1
% of GDP	- 6.40	-5.07	0.6	0.5
Public Debt in USD	21,179.9	21,179.9	21,279.9	21,279.9
% of GDP	60.1	47.6	60.6	46.5

46. In terms of sectoral contribution, the structure of the economy, is now dominated by manufacturing (15.3%), mining and quarrying (14.5%), wholesale and retail trade (11.9%), financial and insurance services (10.8%), and agriculture (9.3%).

Table 7: Sectoral Contribution to GDP: 2024

GDP by Production Shares as % of GDP	Historical	New
Agriculture, Hunting and Fishing and forestry	11.2	9.3
Mining and quarrying	12.8	14.5
Manufacturing	12.4	15.3
Electricity, gas, steam and air conditioning supply	3.2	2.2
Water supply; sewerage, waste management and remediation activities	0.3	0.5
Construction	2.9	2.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	19.2	11.9
Transportation and storage	2.1	3.3
Accommodation and food service activities	1.6	2.0
Information and communication	5.7	1.9
Financial and insurance activities	7.6	10.8
Real estate activities	3.0	2.6
Professional, scientific and technical activities	1.2	0.7
Administrative and support service activities	1.2	2.4

GDP by Production Shares as % of GDP	Historical	New
Public administration and defence; compulsory social security	2.3	4.6
Education	3.0	4.2
Human health and social work activities	2.5	2.1
Arts, entertainment and recreation	0.6	0.1
Other service activities	1.7	3.0
Domestic Services	0.2	0.4

47. Domestic economic developments during the first half of the year 2025 reaffirms the projected economic growth of 6% alluded to in the 2025 National Budget. This growth is expected to be driven by phenomenal growth in the agriculture sector, which is expected to grow by at least 21%. Growth is also expected to emanate from other sectors like information and communication (7.9%) and wholesale and retail trade (5.5%).

Table 8: GDP Growth (%)

	2023 Act	2024 Act	2025 Proj
Agriculture, Hunting and Fishing and forestry	6.3	-18.1	21.5
Mining and quarrying	5.3	12.9	5.3
Manufacturing	2.1	1.6	2.8
Electricity, gas, steam and air conditioning supply	-3.7	10.5	6.8
Water supply; sewerage, waste management and remediation activities	-4.7	1.6	5.2
Construction	6.8	3.5	4.8
Wholesale and retail trade; repair of motor vehicles and motorcycles	6.6	2.6	5.4
Transportation and storage	10.0	8.7	5.4
Accommodation and food service activities	26.4	-6.4	2.9
Information and communication	16.1	2.5	4.6
Financial and insurance activities	2.4	1.3	4.7

Real estate activities	0.3	2.1	5.4
Professional, scientific and technical activities	0.9	0.6	0.8
Administrative and support service activities	1.6	1.5	2.6
Public administration and defence; compulsory social security	3.1	8.2	4.5
Education	6.8	2.8	2.1
Human health and social work activities	2.4	4.2	5.9
Arts, entertainment and recreation	1.2	1.1	1.5
Other service activities	2.2	1.8	3.0
Domestic Services	0.5	0.8	1.0
Gross Domestic Product	5.3	1.7	6.0

Source: MOFED&IP, RBZ and ZIMSTAT

48. This growth projection is underpinned by the following assumptions:

- Favourable agriculture season;
- Improved electricity generation;
- Low inflation and stable exchange rate; and
- Subdued international commodity prices.

49. From the expenditure approach, growth will be driven by strong domestic demand with robust increases in private consumption (6.5%) and public consumption (6.3%), supported by improved growth in both private (5.6%) and public investment (6.3%).

Table 9: GDP Growth by Expenditure (%)

	2024	2025	2026	2027
	Act	Proj		
Overall GDP Growth	1.7	6.0	5.0	5.2
Private Consumption	1.5	6.5	5.2	5.3
Public consumption	2.0	6.3	5.2	5.3

	2024	2025	2026	2027
Private Investment	0.7	5.6	4.7	4.7
Public Investment	2.1	6.3	5.2	5.3
Change of Inventories	-1.0	0.0	5.0	5.0
Exports	1.3	5.2	6.5	7.4
Imports	0.5	7.1	6.7	7.1

Source: MOFED&IP, RBZ and ZIMSTAT (2025)

Sectoral Developments

50. All sectors of the economy are expected to record positive growth in 2025, mainly on account of a favourable agriculture season, improved electricity generation, stable exchange and inflation rate. This is notwithstanding declining international mineral commodity prices and subdued global economic environment.

Agriculture

51. The agricultural sector is projected to grow by at least 21.1% in 2025, a substantial upward revision from the initial projection of 12.8%. The surge is largely attributed to the positive impact of the La-Niña phenomenon, which enhanced production across key crops, including tobacco, maize and traditional grains.
52. The Second Round Crop and Livestock and Fisheries Assessment (CLAFAs 2) undertaken by the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development in

collaboration with ZIMSTAT projects significant increase of output in almost all crops as indicated in the table below.

Table 10: Food Crops Production Estimates (MT)

Crop	2023/24	2024/25	Change (%)
Maize	634,699	2,293,556	261.4
Sorghum	82,063	436,784	432.3
Pearl Millet	23,439	188,261	703.2
Finger Millet	4,070	9,605	136.0
Groundnuts	4,971	84,565	1601.2
Round nuts	19,029	24,922	31.0
Sweet Potato	10,941	215,604	1870.6
Sugar Beans	15,042	18,067	20.1
African Peas	49,507	20,808	-58.0
Total	843,761	3,292,172	290.2

Source: MLAWFRD

53. However, the late onset and cessation of rains, planting of early maturing varieties, as well as other post-harvest losses have the potential to compromise the yields.
54. In complementing Government initiatives to improve food nutrition and security in the country, Development Partners disbursed US\$5.2 million through various agencies for interventions aimed at boosting agriculture production and enhancing resilience to climate change shocks. However, a notable number of projects in the sector are still in inception stages and expected to disburse as the year progresses.
55. Development Partners supported the enhancement of resilience of vulnerable agricultural livelihoods in southern

Zimbabwe and biodiversity and ecosystems under the Green Climate Fund intervention, Climate Adaptation Water and Energy Infrastructure Programme, Agriculture Value Chain Enhancement Project and Zimbabwe Resilience Building Fund (ZRBF).

56. A successor ZRBF II was also launched in April 2025 following the successful implementation of phase 1. ZRBF II is expected to benefit 2.5 million people across three provinces, namely Manicaland, Masvingo and Matabeleland South.

Grain

57. During the 2024/25 agricultural season, the Second Round Crop and Livestock and Fisheries Assessment (CLAFSA 2) projected maize output at 2.3 million tonnes. In addition, the Report indicates estimated small grain output of 634 650 tonnes comprising of 436 784 tonnes of sorghum, 188 261 tonnes of millet and 9 605 tonnes of rapoko.

Table 11: Grain Production Estimates (MT)

Crop	2023/24	2024/25	Change (%)
Maize	634,699	2,293,556	261.4
Sorghum	82,063	436,784	432.3
Pearl Millet	23,439	188,261	703.2
Finger Millet	4,070	9,605	136.0
Total	744,271	2,928,206	293.4

Source: MLAWFRD

58. In total, 2.9 million tonnes of grain are projected to be harvested for the 2024/25 agriculture season. This output is more than adequate for the national requirement of 2.2 million tonnes for both human and animals, leaving a surplus of over 700 000 tonnes.
59. Government through GMB targets to procure at least 100 000 tonnes for replenishment of strategic grain reserves at a price of US\$376/tonne, payable 70% in US\$ and 30% in local currency. So far, GMB has managed to procure at total of 25 812 mt valued at US\$7.3 million and ZiG83.1 million of grain broken down as shown in the table below.

Table 12: GMB Grain Delivery as at 30 June 2025

Commodity	Tonnage	Value (ZiG)	Value (USD)
Wheat	962	2,940,875	327,422
Maize	14,942	45,473,669	3,940,859
Traditional grains	7,615	23,174,706	2,007,013
Sunflower	1,196	6,450,008	559,787
Soya beans	1,097	5,135,732	445,962
Grand total	25 812	83,174,990	7,281,043

Source: GMB

60. The bulk of the projected output is expected to be absorbed by the market through private arrangements, including the Zimbabwe Mercantile Exchange (ZMX). This is expected to promote the development of effective agricultural markets, which are able to give correct signals to farmers on the appropriate choice of crops.

Tobacco

61. The favourable rainfall pattern during the 2024/25 season has enabled a 15% increase in the area planted of tobacco, reaching 143 065 hectares, alongside an improvement in expected yields.
62. As at 21 July 2025, tobacco sales stood at 347.7 million kilograms compared to 228.5 million kilograms recorded last year, as shown in the table below.

Table 13: Tobacco Sales as at 21 July 2025

Seasonal	Total 2025	Total 2024	Change (%)
Mass sold (million kg)	347.73	228.45	52.21
Value (US\$m)	1,157.67	784.05	47.65
Avg price US\$/kg	3.33	3.43	(2.92)

Source: TIMB

63. Already, tobacco deliveries exceeded the expected output, driven by better-than-anticipated rainfall during the last half of the season, which significantly improved the yields. This was further complemented by enhanced agronomic practices that contributed to increased overall productivity.
64. On average, this year`s tobacco is fetching an average price of US\$3.33/kg, 2.9% lower than average price of US\$3.43/kg recorded the same period last year. This year, farmers are receiving 70% of their tobacco sales in US dollar and 30% in local currency equivalent.

Winter Wheat

65. Government seeks to consolidate the country as self-sufficient in terms of wheat production, building on the two previous successful seasons. In this regard, approximately 122 987 hectares had been planted as at 17 July 2025, exceeding the target of 120 000 hectares. This reflects the success of partnerships between Government and the private sector in ensuring domestic wheat self-sufficiency.

Table 14: Winter Wheat Preparations as at 17 July 2025

Province	Target area (Ha):2025	Act. Area Planted (Ha): 2025	Achievement (%)
Manicaland	13,000	13,548	102
Mashonaland Central	27,000	27,910	103
Mashonaland East	22,500	22,866	102
Mashonaland West	34,500	34,975	102
Masvingo	5,000	4,791	96
Matabeleland south	3,500	3, 648	104
Matabeleland North	2,500	2,584	103
Midlands	12,000	12,025	100
Total	120,000	122,987	102

Source: MLAWFRD

66. Mashonaland West and Mashonaland Central had the highest area planted at 34 975 hectares and 27 910 hectares, respectively.

Livestock Production

67. The favourable 2024/25 rainfall season improved the livestock condition through availability of water and pastures. As a

result, the national herd of various animals is estimated to have grown as indicated in the table below.

Table 15: Livestock

Livestock Class	2023	2024	Change (%)
Beef Cattle	5 718 523	5 741 397	0.4
Dairy Cattle	60 398	65 659	8.7
Sheep	742 810	746 277	0.5
Goats	5 087 155	4 883 669	-4
Piggery	302 853	301 747	-0.4

Source: MLAWFRD

68. Consequently, beef production is projected to grow by 5% to reach 107 000 tonnes in 2025, up from 104 000 tonnes recorded in 2024. Similarly, the Zimbabwe Dairy Industry projects milk production to grow by 15% in 2025.

Irrigation Development

69. Government seeks to increase irrigable land from 217 000ha in 2023 to a target of 350 000ha by 2025. This will be achieved through resuscitation and modernisation of non-functional irrigation schemes and development of new irrigation schemes utilising existing dams.
70. In this regard, ZiG94.4 million was expended on the rehabilitation and development of irrigation schemes covering 4 000ha.

71. In addition, the Department of Irrigation Development co-financed the Green Climate Fund (GCF) projects for land clearing services using inhouse equipment and staff, with a total of 250ha having been cleared during the period under review.
72. Going forward, Government will continue to crowd-in the private sector to participate in resource mobilisation for irrigation infrastructure development through the Irrigation Development Alliance. The Alliance is meant to bring together public and private institutions to develop a viable sustainable irrigation development framework that would amplify agricultural production and productivity through increased access to irrigation infrastructure by farmers.



Mhakwe irrigation System testing, Manicaland



Musirizwi irrigation scheme pipe laying, Manicaland

Upgrading of GMB Silos

73. Government, has through the Grain Marketing Board (GMB) embarked on a national grain silo modernisation and expansion project that seeks to increase the public's strategic grain reserves from the current capacity of 500 000 MT to 1 500 000 MT.

74. The objective is to construct Artificial Intelligence-powered GMB silos in 14 sites, with construction works having already commenced at 7 sites at Kwekwe, Mhangura, Mvurwi, Mutare, Rutenga, Timbermills and Lupane.

75. The new silos are poised to revolutionaries the country's grain storage infrastructure and are expected to significantly reduce post-harvest losses, improve grain quality and boost farmer incomes given their ability to monitor temperature, humidity, grain moisture and carbon dioxide levels, which are key indicators of spoilage or pest activity.
76. In this regard, Government expended ZiG987.9 million towards construction of the new silos during the first half. This enabled the completion of Kwekwe smart silo facility with a capacity of over 56 000MT. The silo was commissioned on 05 May 2025 by His Excellency, the President, Dr. E. D. Mnangagwa. Works are ongoing on the other six sites with overall completion standing as follows; Mutare (80%), Mhangura (74%), Mvurwi (51%), Rutenga (45%), Timbermills (21%) and Lupane (5%).
77. Works at Plumtree, Masvingo, Guruve, Marondera, Gokwe, Rafingora, and Bindura are expected to commence soon.



Commissioned Kwekwe GMB Smart Silo Facility



Commissioned Kwekwe GMB Smart Silo Facility



Mutare Smart Silos Under Construction

Mining

78. During the first half of 2025, the mining industry exhibited mixed performance amid cost pressures and market volatility. Gold has remained strong globally, with prices persistently rising throughout the first half. This upward trend has been driven by factors such as central bank stockpiling, investor demand and on-going economic uncertainties that have reinforced gold's role as a safe-haven asset.

79. Meanwhile, the Platinum Group of Metals (PGMs) have shown mixed trends, with platinum prices remaining stable, while palladium demand has softened due to shifts in the automotive industry and emerging technologies.

80. Resultantly, the mining sector is now expected to grow by 2.9% in 2025, downward from the initial projection of 5.6%, mainly on account of reduced output in PGMs and lithium owing to significantly lower international mineral prices compromising mining activities. The positive growth will, however, emanate from record higher gold prices which are stimulating domestic gold production.

Table 16: Mining Projections

	Weights	Q1 2025	Q1 2024	Change (%)	2024 Est	2025	2026
Overall Growth (%)		5.3	2.3		12.9	4.8	5.5
Gold \kg	44.37	8,979.89	6,638.05	35	38,454.48	43,390.00	46,900.00
Paladium \kg	16.08	3,413.81	4,136.07	-18	15,603.22	14,744.33	14,300.00
Platinum \kg	11.34	4,177.25	4,987.45	-16	18,910.90	17,939.60	18,023.00
Chrome \t	6.84	465,638.82	591,218.44	-21	2,454.66	2,500.41	2,600.43
Nickel \t	5.44	3,097.46	4,046.07	-23	15,128.03	14,542.26	14,623.00
Diamonds	5.00	782,648.49	1,417,150.28	-45	5,146.02	5,200.00	6,300.00
Coal \t	4.11	1,688,429.00	1,047,278.80	61	5,797.53	6,300.00	6,615.00
Rhodium \kg	3.64	394.15	436.58	-10	1,703.65	1,460.36	1,533.38
Copper \t	1.35	2,561.78	3,689.82	-30	12,949.74	10,987.00	11,096.87
Iridium \t	0.48	308.10	218.79	40.	806.44	970.03	1,008.83
Ruthenium \kg	0.31	405.12	367.62	10	1,611.90	1,733.76	1,751.10
Lithium \mnt	0.26	58.13	146.41	-60	2,471.69	350.34	367.86
Cobalt \t	0.23	77.74	85.25	-9	344.41	420.00	441.00
Black Granite \t	0.19	77.74	85.25	-95	1,623.27	12,000.00	12,480.00
Vermiculite\t	0.10	3028	4222.3	-28	54,266.00	1,480.90	1,554.95

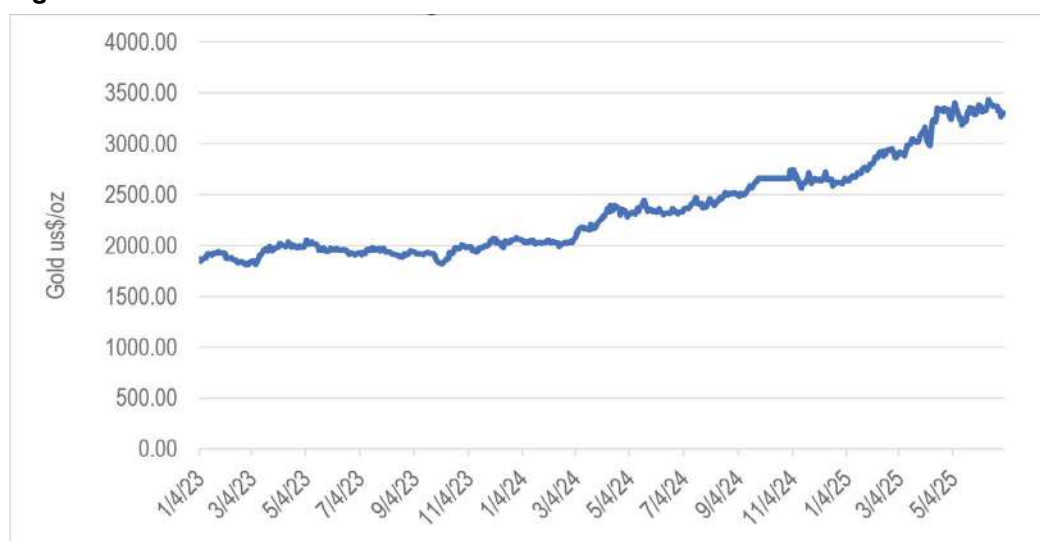
81. During the first quarter of 2025, output for most minerals contracted, except gold, when compared to the output of the first quarter of 2024 as indicated in the table above.

82. To year end, the mining sector environment is expected to continue to be characterised by elevated gold prices, declining international mineral prices for PGMs and base metals.

Gold

83. Gold output is projected to rise to 43 000 kg in 2025 from 38 000 kg recorded in 2024, benefiting from strengthening international gold prices, which have reached a record peak of US\$3 400.8/ounce in May 2025. The sustained high gold price has attracted investment in new and expansion projects in the sector.

Figure 6: Gold Prices



Source: Trading Economics

84. Gold deliveries to Fidelity Gold Refinery during the first half of 2025 increased by 35.2% to 20 103.6 kgs from 14 868.5 kgs recorded in the same period in 2024.

Table 17: Gold Output

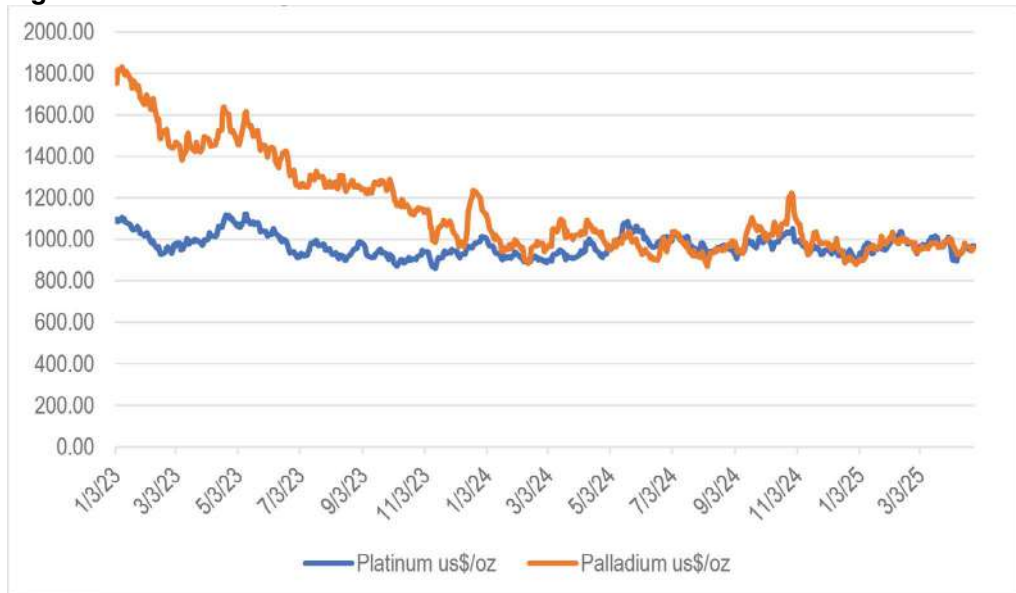
Mineral	H1 2025	H12024
Gold (kgs)	20, 103.6	14, 868.5

Source: Ministry of Mines & Mining Development and FPR

Platinum Group of Metals (PGMs)

85. In 2025, major minerals of the PGMs are projected to experience a significant decline compared to 2024 levels, primarily due to continued drop in international mineral commodity prices, especially for palladium and rhodium.

Figure 7: Platinum and Palladium Prices



Source: Trading Economics

86. During the first quarter, platinum, palladium and rhodium output contracted by 16,2%, 17,5% and 9,5%, respectively compared to the same period in 2024.

Table 18: PGMs Performance

Mineral	2024 Q1	2025 Q1	Change (%)
Platinum (kgs)	4,987.45	4,177.25	(16.2)
Palladium (kgs)	4,136.07	3,413.81	(17.5)
Rhodium (kgs)	436.58	394.15	(9.7)
Iridium (kgs)	218.79	308.10	40.8
Ruthenium (kgs)	367.62	405.12	10.2

Source: Ministry of Mines & Mining Development

87. In view of this, platinum and palladium outputs are projected to decline in 2025 to 17 539.60 kg and 14 244.33 kg, respectively, down from the 2024 output levels of 18 910.90 kg and 15 603.22 kg.
88. However, despite the downward pressure on prices, there are several ongoing projects that will support growth of the sub-sector into the future.

Coal

89. Coal production is expected to increase to 6.3 million tonnes in 2025, benefiting from the increased demand for coke. So far, coal production witnessed a 63.5% increase in the first quarter of 2025 compared to the same period in 2024, driven by heightened demand from Hwange and Dinson Collieries' coke oven batteries.

Table 19: Coal Production

Mineral	2025 Q1	2024 Q1	Change (%)
Coal	1 688 429.0	1 047 278.80	61.5%

Source: Ministry of Mines & Mining Development

Diamond

90. In 2025, diamond output is projected at 5.2 million carats, a downward revision from the November 2024 forecast of 5.4 million carats, due to subdued performance in the first quarter of 2025.

Table 20: Diamond Output

Mineral	2025 Q1	2024 Q1	Change (%)
Diamond (Carats)	782 648.49	1,417,150.28	-45%

Source: Ministry of Mines & Mining Development

91. The projected growth is expected to benefit from Anjin’s ongoing ramp-up efforts, as well as the installation of the Deep Boiling Facility by ZCDC, which was commissioned in November 2024. The investments are expected to enhance the clarity and lustre of rough diamonds, ultimately increasing their commercial value.

Nickel

92. Nickel production is projected at 14 484.1 tonnes in 2025, representing a decline of 4.3% from the 2024 level, largely due to anticipated decreases in international prices for both nickel and PGMs, which are expected to impact secondary producers, as well as the fact that the major primary producer has halted production.

93. Production during the first quarter of 2025 saw a notable 23% decline to 3 097.46 metric tonnes compared to 4 046.07 metric tonnes produced during the same period in 2024.

Table 21: Nickel Output

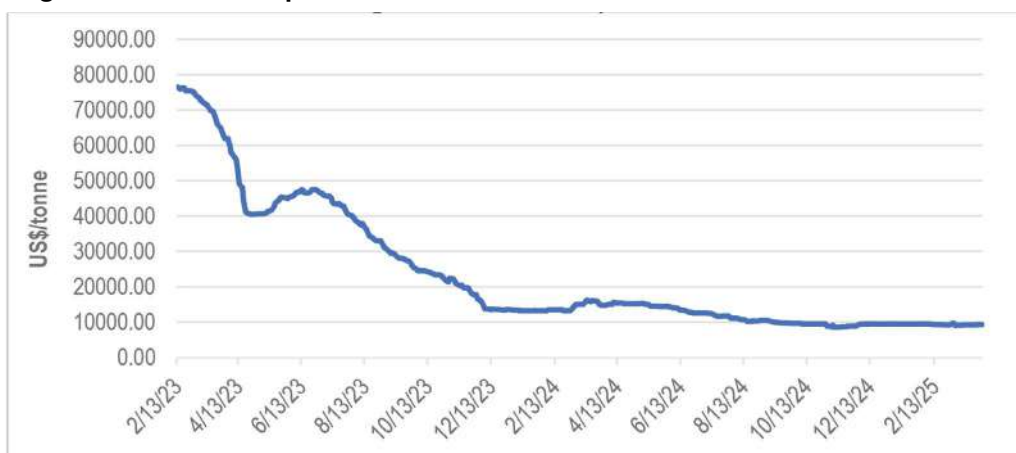
Mineral	2025 Quarter1	2024 Quarter 1	Change (%)
Nickel (Metric Tonnes)	3 097.46	4 046.07	-23%

Source: Ministry of Mines & Mining Development

Lithium

94. Lithium production is expected to decline to 350 034 metric tons in 2025, primarily on account of depressed international lithium prices.

Figure 8: Lithium Output



Source: Ministry of Mines & Mining Development

95. Lithium prices are projected to continue to decline throughout the year, driven by a global oversupply and the growing adoption of alternative battery chemistries like lithium iron phosphate (LFP), which use less lithium. Technological advancements in battery design are further contributing to reduced demand pressures which in turn affect price.

96. During the first quarter, lithium output substantially declined by 60% compared to the same period last year.

Table 22: Lithium Output

Mineral	2025 Q1	2024 Q1	Change (%)
Lithium (Metric Tonnes)	58.13	146.41	-60.3%

Source: Ministry of Mines & Mining Development

97. Despite the projected output decline in 2025, several ongoing capital projects are expected to positively impact production levels going forward.

Manufacturing

98. Over the past six months, the manufacturing sector has recorded notable progress in industrial output and commercialisation, supported by Government interventions and private sector partnerships. However, persistent challenges such as energy shortages continue to hinder optimal performance.
99. Therefore, the sector is now projected to grow by 2.4% in 2025, down from the initial projection of 3.1%. The downward revision was largely on account of unforeseen challenges in cement production. In addition, the sector continues to face challenges such as unavailability of affordable and long-term capital, multiple regulatory requirements and high fees, as well as liquidity challenges. The challenges are impacting the sector's competitiveness compounded by the influx of imports.

100. Notwithstanding, the sector is expected to register a modest growth underpinned by the following assumptions:

- Improved agricultural output which is expected to boost agro-processing industries;
- Investments in new and existing plant and machinery;
- Improved power supply; and
- Macroeconomic stability.

Table 23: Volume of Manufacturing Index

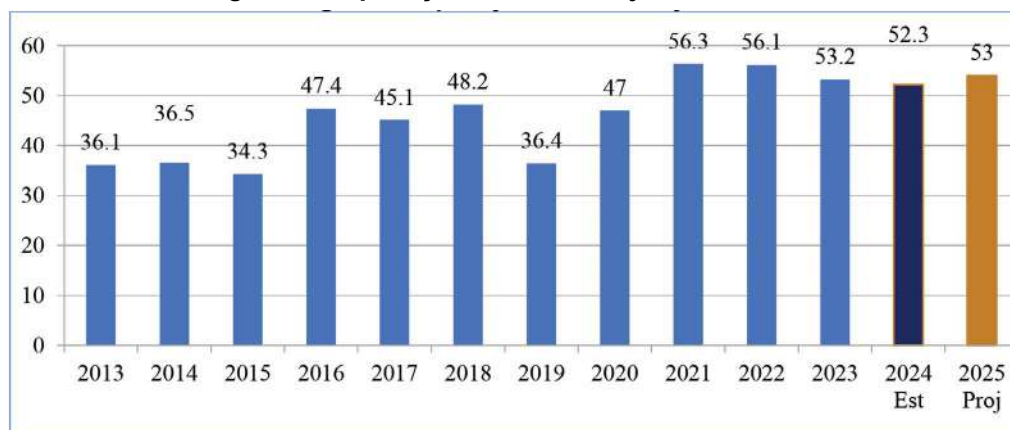
	Weights	2023 Act	2024 Est	2025 Sep	2025 Rev
Growth Rate (%)		2.1	1.5	3.1	2.4
Foodstuffs	379	397.0	405.7	410.0	410.0
Drinks and Tobacco	200	396.0	405.9	412.0	408.0
Textiles and Ginning	25	39.0	41.0	48.0	51.0
Clothing and Footwear	9	260.0	267.0	259.0	261.0
Wood and Furniture	8	372.3	374.5	381.0	381.0
Paper, printing and Publishing	40	650.0	600.0	601.0	601.0
Chemical and Petroleum Products	116	84.0	80.7	83.0	83.0
Non-metallic mineral products	116	343.0	329.0	363.0	335.0
Metals and Metal products	72	340.0	393.0	460.0	460.0
Transport, Equipment	1	128.0	128.0	128.0	132.0
Other manufactured goods	35	55.0	55.0	56.0	57.0
Overall Index	1000.0	337.9	343.1	355.3	351.3

Source: MOFEDIP, RBZ & ZIMSTAT

101. The sector continues to show resilience on the back of ongoing investments in retooling and expansion, particularly in the agro-processing and pharmaceutical sub-sectors. Notable investments were in the food, drink & tobacco, textiles & clothing, iron & steel, pharmaceuticals and the cement industry.

102. The sector is also expected to benefit from the doing business environment reforms underway to streamline regulations, fees and charges. Hence, capacity utilisation is expected to recover to 53%.

Figure 9: Capacity Utilisation Projection



Source: CZI

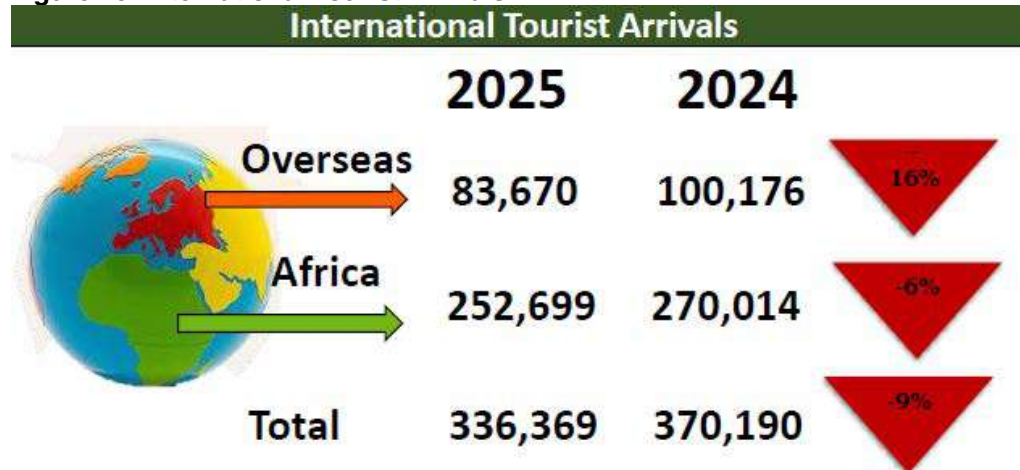
103. The manufacturing sector is also benefitting from stable exchange rate and improved availability of raw materials. In addition, the Local Content Strategy assisted the sector through the prioritisation of local procurement. Sub-sectors that have benefitted include, the food, beverages, tobacco, pharmaceuticals and packaging. The coming in of Dinson revived the iron and steel value chain, with iron and steel exports rising to over US\$41.7 million during the first half. This transformed the country from an importer of iron and steel to an exporter.

104. The implementation of the value chains programme such as oil seeds, fertilizer, dairy, sugar, cotton to clothing, leather, pharmaceuticals and motor industry prioritised by the 2025 National Budget have been bearing fruits. The value chains benefitted through access to foreign currency and fiscal incentives.

Tourism

105. The tourism industry is now projected to grow by 2.9% in 2025 down from an initial projection of 4.3%. The downward revision is informed by lower performance of the sector in 2024 and the first quarter of 2025.
106. International tourist arrivals recorded a decline of 9% to 336 369 arrivals during the first quarter of 2025 compared to the corresponding period last year. This development is likely to affect the anticipated recovery of arrivals to pre-COVID levels of 2 million.

Figure 10: International Tourist Arrivals



Source: ZTA

107. Similarly, average hotel room occupancy dropped by 2% with the potential to negatively affect the overall number of beds sold to year end.

Figure 11: Average Hotel Room Occupancy



Source: ZTA

108. All major tourist resort provinces recorded declines in average room occupancies except for Bulawayo, Midlands and Harare provinces.

Table 24: Average Hotel Room Occupancy

Province	2025 (%)	2024 (%)	Change (%)
Bulawayo	37	35	2
Harare	48	45	3
Manicaland	27	36	-9
Mashonaland Central	26	22	4
Mashonaland East	8	12	-4
Mashonaland West	27	33	-6
Masvingo	24	36	-12
Matabeleland North	36	49	-13
Matabeleland South	16	25	-9
Midlands	32	26	6
National	37	39	-2

Source: ZTA

109. Estimated tourism receipts and tourism investments also dropped by 16% and 25%, respectively. Receipts dropped both on the international and domestic front.

Figure 12: Tourism Receipts and Investments



Source: ZTA

Table 25: Tourism Receipts

First Quarter	2025	2024	Change (%)
International Receipts	141,590,807	163,973,020	-14
Domestic Receipts	60,625,165	77,456,713	-22
Total	202,215,972	241,429,733	-16

Source: ZTA

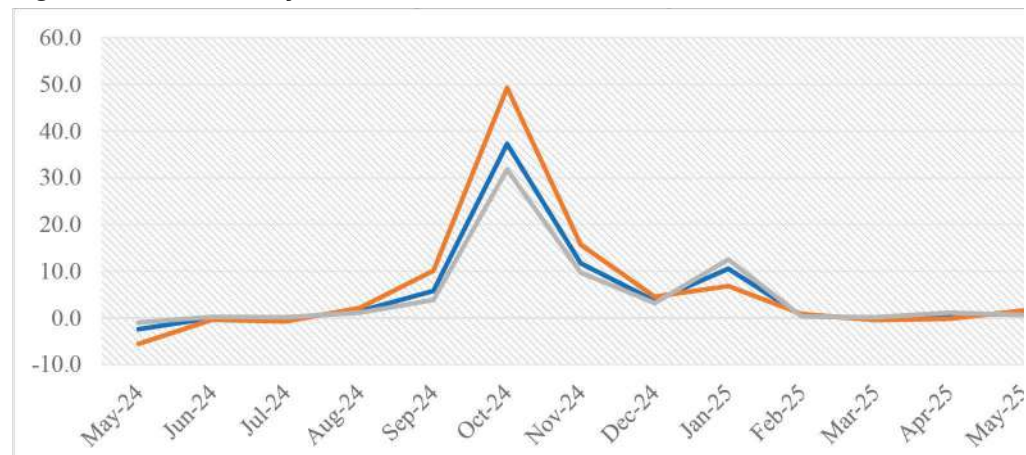
110. Furthermore, the withdrawal of Overseas Development Assistance (ODA) by developed countries is expected to have a negative impact on the sector, particularly through Meetings, Incentives, Conferences and Exhibitors (MICE) sector, as many local NGOs were funded through ODA.
111. Notwithstanding, there are a number of initiatives being implemented by Government and private sector which are expected to promote growth of the tourism sector going forward, and these include the following among others:
- Enhanced Air Connectivity: Upgraded facilities at R.G. Mugabe and Victoria Falls airports, together with new and expanded airline services, are set to boost tourist arrivals.
 - Focus on MICE Tourism: Zimbabwe is sharpening its focus on MICE tourism by hosting major events that will draw business and sports delegates, some of these include:
 - *Several SADC Ministers Meetings; and*
 - *The ICC Men's T20 World Cup Africa Regional Final (19 September to 4 October 2025) tournament will bring players, officials, media, and fans to Zimbabwe, boosting both business-style and leisure visitor numbers.*
 - Infrastructure development: Zimbabwe's hospitality sector is experiencing significant growth, marked by some several notable hotel upgrades and new developments.

- Expansion of the food services: Notable positive developments are underway with the expansion and construction of new food outlets across the country.

Inflation

112. Month-on-month inflation has generally been stable during the first half of the year. Monthly ZiG inflation averaged 0.5% from February to June 2025 as shown in Figure 13.

Figure 13: ZIG Monthly Inflation

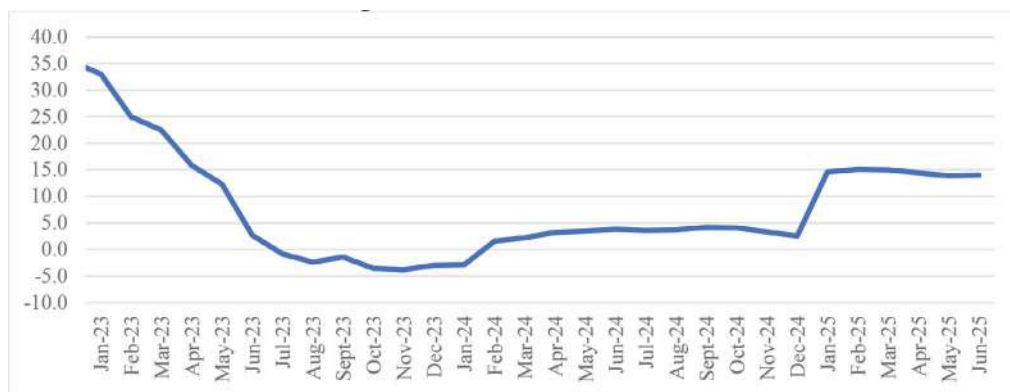


Source: ZIMSTAT 2025

113. ZIMSTAT released the first official ZiG annual inflation figures in April 2025. The ZiG annual inflation stood at 85.7% in April 2025, to 92.5% in June 2025. The elevated annual inflation mainly reflects the base effect due to the once-off depreciation of ZiG/US\$ exchange rate on 27 September 2025. Annual inflation is expected to decline significantly from October 2025, once the base effect has run its full course.

114. The US\$ month-on-month inflation rate averaged 0.01% from February to June 2025, on account of declines in food and non-food inflation. Annual US\$ inflation rate, which peaked at 15.1% in February 2025 declined to 14% in June 2025 as shown in Figure 14.

Figure 14: US\$ Annual Inflation



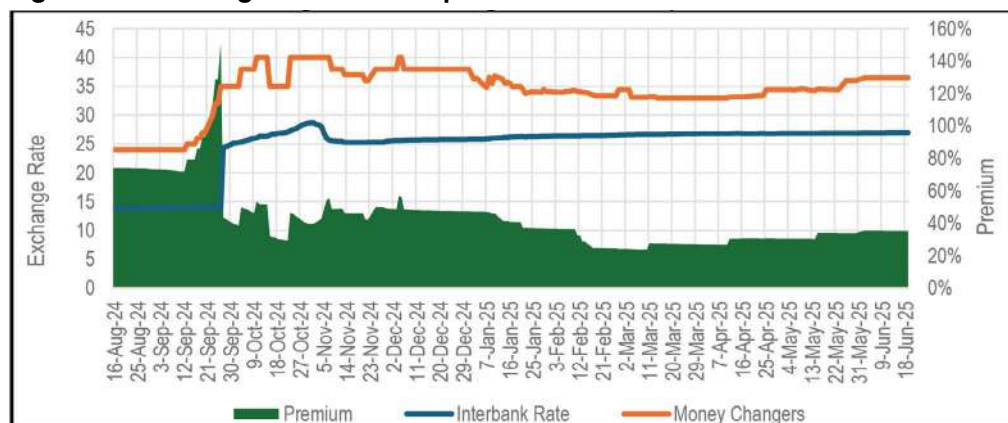
Source: ZIMSTAT, 2025

115. Inflation is expected to remain stable during the second half of 2025, underpinned by an tight monetary policy stance. As such, monthly inflation is expected to remain stable at below 3% for the rest of 2025.

Exchange Rate

116. Since the beginning of the year, the exchange rate remained largely stable against the US dollar on the willing buyer-willing seller market. The parallel market premium has been largely contained in 2025 as shown in Figure 15 below.

Figure 15: Exchange Rates Developments



Source: Reserve Bank of Zimbabwe, 2025

117. Encouragingly, the further liberalisation of the foreign exchange market through Statutory Instrument 34 of 2025 has not resulted in untoward pricing by retail businesses in the country, which reflects the alignment of the exchange rate. This notwithstanding, isolated incidences of exorbitant pricing were observed with some retailers pricing at a depreciated exchange rate with a view to discourage against the local currency payments.

External Sector

118. Despite the subdued global growth prospects, geopolitical and trade tensions, policy uncertainty and low international commodity prices, the country's external sector position has demonstrated remarkable resilience.

119. The resilience is evidenced by the notable increase in foreign currency receipts, which rose by 30.2% to US\$6 billion for the period from January to May 2025, compared to US\$4.9 billion received during the same period in 2024. The growth was primarily driven by an increase in export receipts, diaspora remittances and loans. Table below shows foreign currency receipts for the period from January to May 2025.

Table 26: Total Foreign Currency Receipts

Type of Receipt		Jan-May 2025	Contr (%)	Jan-May 2024	Contr (%)	Change (%)
Export Proceeds		3,352.7	55.9	2,574.7	53.0	30.2
International Remittances	Diaspora	924.2	15.4	841.6	17.3	9.8
	NGOs	464.7	7.7	458.9	9.4	1.3
Loan Proceeds (Private)		1,105.5	18.4	818.0	16.8	35.1
Income receipts		55.2	0.9	58.8	1.2	-6.1
Foreign Investment		98.5	1.6	104.1	2.1	-5.4
TOTAL		6,000.8	100	4,856.1	100	23.6

Source: Exchange Control Records and Bank Supervision Application System (BSA)

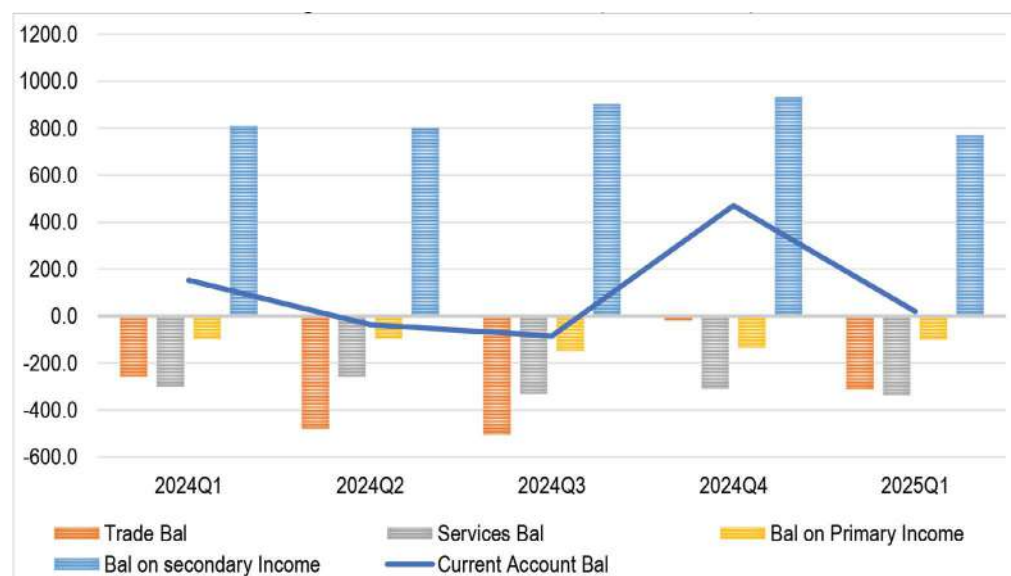
120. Export receipts and international remittances accounted for 55.9% and 23.4% of the total receipts, respectively, for the period January to May 2025.

Current Account

121. The improvement in foreign currency receipts has positively impacted the country's Balance of Payments position. Preliminary estimates indicate that the country's current account balance remained in a surplus during the first quarter of 2025, recording a surplus of US\$19.9 million, compared

to US\$152.2 million recorded for the corresponding period in 2024. The surplus was sustained by resilient remittances and significant growth in exports, particularly gold.

Figure 16: Current Account (US\$ millions)



Source: RBZ and ZIMSTAT

122. To year end, the current account surplus is projected to increase to US\$621.7 million in 2025, relative to a surplus of US\$501.2 million recorded in 2024. The increase is attributed to elevated gold export receipts and remittances. This is important for the exchange rate stability and accumulation of reserves.

Merchandise Exports

123. During the five months of 2025, merchandise exports increased by 11.4% to US\$3.1 billion relative to the same period in 2024. This robust export growth was mainly driven by exports of gold.

Table 27: Merchandise Exports US\$M

	Jan -May 2024	Jan-May 2025	Change (%)
Gold	739.7	1,427.3	93
PGMs	753.1	534.8	-29
Tobacco	463.8	404.0	-12.9
Other mineral substances	141.6	131.0	-7.4
Ferro-chromium	126.7	111.0	-12.4
Coke and semi-coke of coal	58.8	87.5	48.8
Chromium ores and concentrates	61.5	58.7	-4.6
Industrial diamonds	118.7	68.4	-42.4
Cigarettes	34.9	37.7	8.1
Refined sugar	23.9	19.8	-17.1
Other Exports	294.5	259.3	-11.9
Grand Total	2,817.1	3,139.5	11.4

Source: ZIMSTAT

124. Gold exports performed strongly in the first five months of 2025, surging by 93% to US\$1.4 billion from US\$739.7 million recorded in the same period in 2024. This remarkable growth was largely driven by higher global gold price which has triggered domestic gold production. Coke and cigarettes recorded growths of 48.8% and 8.1%, respectively, during the period under review.
125. However, almost all other export products recorded a decline during the first five months of 2025 in comparison to the same period of 2024, mainly attributable to lower global commodity prices.
126. Overall, merchandise exports are projected to close the year 2025 at US\$8.4 billion, 8.4% increase from US\$7.8 billion recorded in 2024.

Merchandise Imports

127. During the first five months, merchandise imports grew by 5.2% to US\$4.03 billion from US\$3.83 billion during the same period in 2024, driven by higher import volumes of food, fuel and gas.

Table 28: Merchandise Imports US\$M

	Jan-May 2024	Jan-May 2025	Change (%)
Diesel	369.4	430.9	16.7
Maize (Excluding Seed)	206.6	279.6	35.4
Petrol	197.5	203.7	3.2
Crude soya bean oil	75.8	102.0	34.6
Wheat	34.3	71.2	107.7
Petroleum gases	3.8	56.9	1,389.6
Electrical energy	70.6	53.7	-23.9
Medicaments	48.6	64.6	32.9
Rice	80.5	60.7	-24.6
Kerosene-type jet fuel	35.1	36.4	3.5
Cement	20.7	28.4	36.8
Other Imports	2,683.8	2,638.9	-1.7
Total	3,826.5	4,026.9	5.2

Source: ZIMSTAT

128. Maize imports rose by 35.4% from US\$206.6 million in the first five months of 2024 to US\$279.6 million in the same period in 2025, to compensate for a sub-optimal 2023/24 agricultural production season. Diesel and petrol imports increased by 11.9%, rising from US\$566.9 million in the first five months of 2024 to US\$634.6 million in 2025.
129. To year end, merchandise imports are projected to reach US\$9.3 billion, a 2.1% increase from US\$9.1 billion recorded

in 2024, driven by increases in non-food imports such as fuel, machinery and raw materials. Food imports are projected to significantly decline in the second half of the year, owing to expected good harvest in the 2024/25 agricultural season.

Remittances

130. Remittances increased by 7.1%, from US\$593.2 million in the first quarter of 2024 to US\$635.2 million in 2025. The remittances have had a favourable impact on the current account balance.
131. To year end, remittances are projected to increase by 4.9% from US\$2.6 billion in 2024 to US\$2.7 billion in 2025, sustaining a positive current account balance.
132. Given the strategic importance of the diaspora community, Government seeks to strengthen their role in the development of the country. In this regard, Government is finalising the formulation of the Diaspora Policy, which will outline measures to promote remittances at minimum cost and give guidelines on various investment initiatives.

Direct Investment

133. Direct investment inflows are estimated at US\$184.9 million in the first quarter of 2025, up from US\$103.5 million recorded in

the corresponding quarter of 2024. The inflows were mainly in the form of capital equipment, predominantly directed towards the mining and manufacturing sectors.

134. During the quarter, 207 new investment licenses were issued, marking a 44.8% increase compared to corresponding period in 2024. The successful launch of ZIDA's digital investment license issuance system is anticipated to streamline processes, thereby enhancing investor confidence and operational efficiency.
135. Direct investment inflows are projected to grow to over US\$600 million in 2025 with the major recipients being energy, mining and manufacturing sectors.

Investment Approvals

136. During the first six months of the year, ZIDA licensed 178 new investment projects, with a cumulative projected value of US\$1.4 billion, distributed as follows:
 - Energy and Mining: 36%;
 - Manufacturing: 24%;
 - Agriculture and Agro-processing: 20%; and
 - Tourism, ICT, and Services: 20%.

137. Meanwhile, ZIDA strengthened its capacity to process and automate licensing processes during the period under review by:

- Introducing an improved licensing tracker to monitor turnaround time for processing investor licenses;
- Automating license renewal process and compliance reporting; and
- Developing investor service charters in collaboration with key ministries.

Special Economic Zones (SEZs)

138. During the first half of 2025, ZIDA significantly advanced the Special Economic Zones (SEZ) agenda through strengthened partnerships, investment promotion and rendering operational support to SEZ owners. Notable achievements include signing key agreements to unlock the development of SEZs in Masuwe and Beitbridge.

Transport and Logistics

139. Government is in the process of modernising border facilities and implementing electronic single-window systems to improve transport and logistics infrastructure, reduce transportation costs, and enhance trade facilitation. In this regard, the Border Efficiency Management (BEMs) Committee is actively

streamlining border agency processes to reduce operational bottlenecks.

140. In addition, bilateral discussions with Mozambique, South Africa, and Botswana to convert the Forbes/Nyamapanda, Beitbridge, and Plumtree/Ramokgwebane border posts into One-Stop Border Posts (OSBPs) are underway. Initiatives are also underway to implement a 24-hour operation at the Victoria Falls border post. The objective is to harmonize customs procedures and standards with regional partners to facilitate cross-border trade.

Wholesale and Retail

141. The wholesale and retail trade sector remains one of the major contributors to Zimbabwe's economy, accounting for approximately 11.9% of national GDP. However, the sector has been facing challenges resulting in closures and downsizing of some of the major retailers.
142. To address some of the challenges facing the sector, Government is currently developing the Wholesale and Retail Sector Policy, aimed at promoting the sector, provide a framework for decision making and address current challenges.
143. The current exchange rate and price stability, the Targeted Finance Facility (TFF) by RBZ and the ongoing streamlining of

the regulatory requirements, fees and charges are expected to go a long way in alleviating the challenges facing the sector.

Consumer Protection

144. The formulation of the Consumer Protection Policy is now at an advanced stage. The Policy is aimed at promoting consumer rights, as well as fostering consumer welfare, a critical element in the production, distribution and consumption of quality goods and services. This is expected to go a long way in improving the country's image and competitiveness in both the domestic and international markets.

Business Malpractices and Anti-Smuggling Blitz

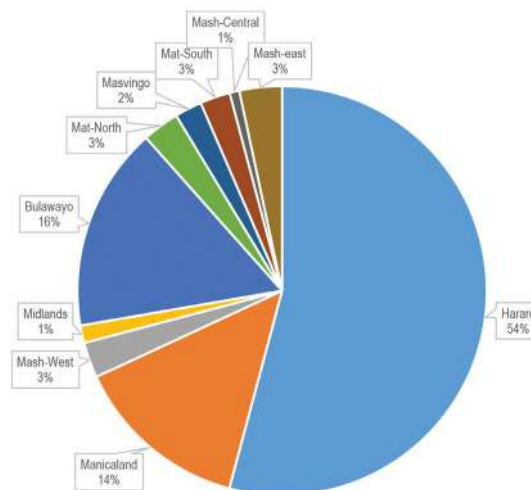
145. Government is undertaking an anti-smuggling blitz through a Taskforce chaired by the Ministry of Industry and Commerce to deal with all forms of business malpractices such as currency manipulation, selling expired products, selling improperly labelled products, smuggling, operating without requisite documentation, to mention but just a few. The malpractices have a devastating effect on the economy and the consuming public are being exposed to some health risk due to consumption of substandard/counterfeit/fake products.
146. The task force is comprised of officers from the Consumer Protection Commission, Trade Measures, Zimbabwe Republic

Police, City Council Officials, Medicine Control Authority of Zimbabwe, and the Zimbabwe Revenue Authority. The task force covered all the country's ten provinces, each reporting to the Provincial Minister of State for Presidential Affairs and Devolution.

147. The taskforce focuses on various products which include beverages, non-payment of sugar content tax and the use of sweeteners by soft beverages manufacturers, mealie-meal, meat products, dairy products, detergents and confectioneries, among others as these continue to pose a serious threat to human health and safety, right to fair value, and good quality.

148. The Pie Chart below illustrates distribution of inspections conducted across provinces.

Figure 17: Provincial Inspections



149. The blitz has resulted in noted improvements in the security and environmental conditions. It has enhanced border security through increased surveillance and checkpoints that have deterred smuggling activities through border points.
150. In addition, law enforcement agencies have improved their coordination and information sharing leading to more effective operations. The collaborative effect of the task force has managed to unveil and plug the gaps that organisations operating individually could not comprehend.

Mutapa Investment Fund

151. The Mutapa Investment Fund is guided by the core values of accountability, transparency and commitment in driving the country's sustainable growth and development. In line with the provisions of the Sovereign Wealth Fund of Zimbabwe Act, and the need for transparency and accountability, the Fund produced and submitted the required quarterly reports and other financial information for the first quarter. Furthermore, the Fund is currently being audited for the 2024 financial year by an external auditor.
152. To date, the Fund has achieved significant strides towards strengthening the governance frameworks and enhancing the financial performance of the portfolio companies under

its ambit, including ensuring timeous production of audited financial statements and conducting of annual general meetings, among others.

153. The Fund has made significant progress in reviving and revitalising the portfolio companies that were underperforming, through securing short, medium and long-term capital to optimise and boost their operations. To date, the Fund has injected capital into a significant number of portfolio companies, most of which have started registering improved performance. The capital deployment to the portfolio companies is guided by the Investment Strategy of the Fund and the diagnostic assessment report, prioritising long-term value creation, stability and prosperity.

154. Investments currently under consideration include procurement of buses for the Zimbabwe United Passenger Company (ZUPCO) to minimise public transport challenges, capitalisation of the National Railways of Zimbabwe (NRZ) to rehabilitate rail infrastructure and address rolling stock challenges, crafting of sustainable operational models for COTTCO, Air Zimbabwe, Cold Storage Company and Silo Food industries, among others. In addition, development of more efficient, effective and rewarding operational models for the Mining Cluster and the Industrial Development Corporation of Zimbabwe (IDCZ) are ongoing and expected to unlock more value for the economy.

155. The Fund is also working with the Zimbabwe Electricity Supply Authority (ZESA) on a variety of initiatives to address power shortages, which include enhancing base load, together with implementation of prepaid, net and smart metering projects. Based on the current and projected investments in the energy sector, the Fund is optimistic that load shedding will be significantly minimised in the outlook period, not least because of the rehabilitation of Hwange Units 1 to 6 under a Rehabilitate Operate and Transfer concession agreement between Zimbabwe Power Company and Jindal Africa.
156. Meanwhile, Mutapa Investment Fund engaged the Zimbabwe Statistical Agency (ZIMSTAT) to conduct a survey to establish the contribution of its portfolio companies to the Gross Domestic Product (GDP). ZIMSTAT concluded the survey in April 2025 and finalisation of the report is in process. Going forward, similar exercises will be done regularly to assess the changes in the portfolio companies' contribution to GDP.

FINANCIAL SECTOR DEVELOPMENTS AND OUTLOOK

157. The financial sector is witnessing stability and continues to demonstrate resilience on the backdrop of supportive fiscal and monetary measures.

Banking

158. The architecture of the banking sector has remained unchanged, comprising of fourteen (14) commercial banks, four (4) building societies and one (1) savings bank. In addition, there are 283 credit-only microfinance institutions, eight (8) operating deposit-taking microfinance institutions (DTMFIs) and four (4) development financial institutions.
159. The aggregate banking sector performance was underpinned by robust capitalisation, satisfactory asset quality and profitability, as well as strong liquidity positions.

Capitalisation

160. Adequate capitalisation is crucial for promoting the stability and efficiency of the banking system. As at 31 March 2025, the banking sector reported average capital adequacy ratio of 38.1% and an average tier 1 ratio of 26.4%, against the prescribed minimum capital adequacy ratio of 12% and the tier 1 capital ratio of 8%.
161. Banking sector aggregate core capital was reported at ZiG33.2 billion as of 31 March 2025, compared to ZiG33.4 billion reported as at 31 December 2024. As at 31 March 2025, sixteen (16) out of 18 banking institutions (excluding

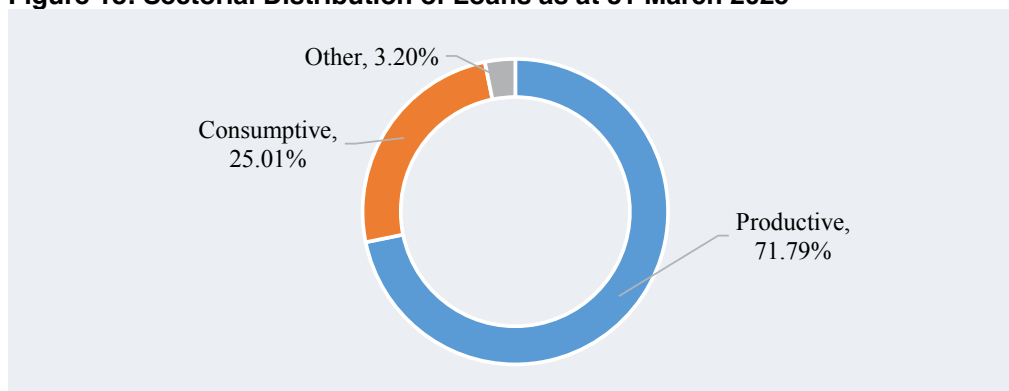
POSB which is exempted from prescribed minimum capital requirements) reported core capital levels that complied with minimum regulatory requirements.

162. However, two (2) institutions were non-compliant with the minimum capital requirements.

Banking Sector Loans and Advances

163. Banking institutions continue to support economic growth through credit extension to the productive sectors of the economy including seasonal loans for agriculture (15.32% of total loans) and manufacturing sectors (12.82%).
164. Total banking sector loans and advances amounted to ZiG59.3 billion as of 31 March 2025, an increase from ZiG55.9 billion as of 31 December 2024, mainly driven by an increase in foreign currency denominated loans. As at 31 March 2025, foreign currency denominated loans constituted 87.77% of total banking sector loans and advances.
165. Funding to the productive sectors of the economy accounted for 71.79% of total loans, as shown in the Figure below.

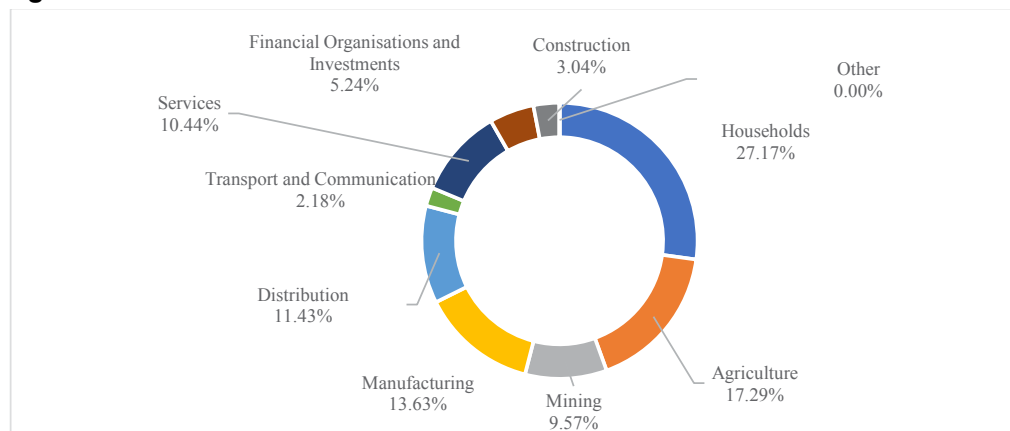
Figure 18: Sectorial Distribution of Loans as at 31 March 2025



Source: Reserve Bank of Zimbabwe

166. Credit to the private sector, which is critical in supporting the 2025 projected economic growth of 6% grew by 20% from ZiG51.70 billion in December 2024 to ZiG61.22 billion in May 2025. Net Credit to Government, however, increased marginally by 1.6%, reflecting fiscal consolidation measures being undertaken by Government.
167. Outstanding credit to the private sector was mainly channelled to households, agriculture, manufacturing and distribution, which received 27.2%, 17.3%, 13.6%, and 11.4% of the total credit, respectively. The mining sector received 9.6% of the total outstanding credit.

Figure 19: Distribution of Private Sector Credit



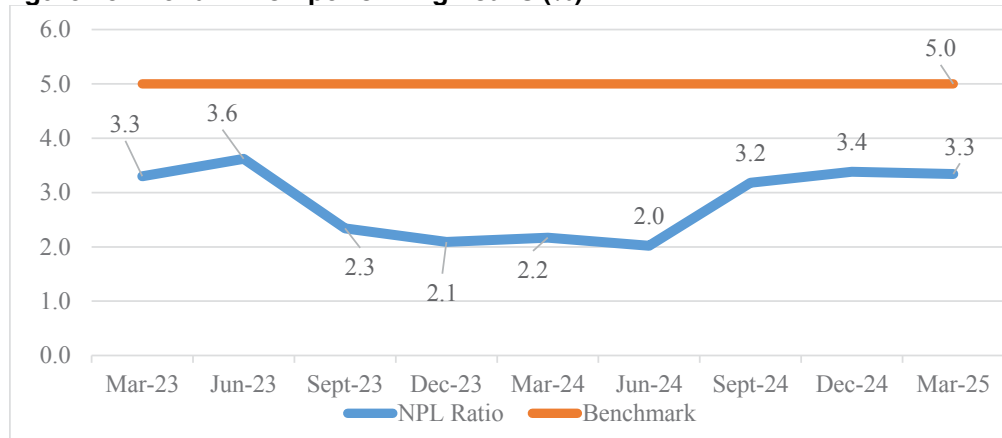
Source: Reserve Bank of Zimbabwe, 2025

168. Credit to the private sector was largely utilised for recurrent expenditures, 41.54%; inventory build-up, 23.17%; and fixed capital investments, 13.17%.

Asset Quality

169. Credit risk in the banking sector remained low, as reflected by an average non-performing loans (NPL) to total loans ratio of 3.34% as at 31 March 2025. The average NPL ratio is within the Reserve Bank's risk appetite and internationally acceptable threshold of 5% as shown below.

Figure 20: Trend in Non-performing Loans (%)



Source: Reserve Bank of Zimbabwe

Monetary Developments

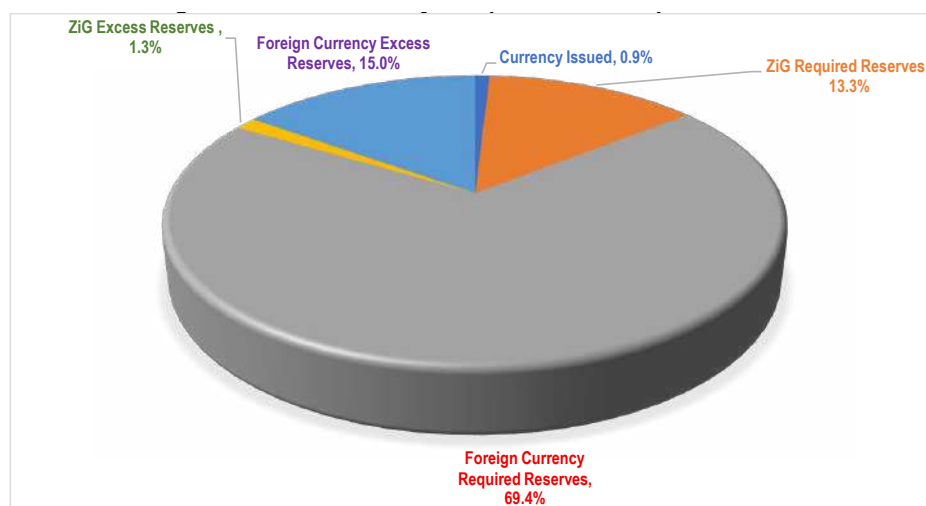
170. The monetary developments during the first half of the year have been in line with the desired growth path of the economy and inflation target.

Reserve Money

171. The reserve money stock (including foreign currency statutory reserves) increased by 14.18%, from ZiG20.40 billion in December 2024 to ZiG23.29 billion in May 2025. The ZiG component of reserve money increased by 34.01% over the period December 2024 to May 2025, while the foreign currency component rose by 10.1% over the same period. This indicates that the ZiG currency is gaining momentum in both usage and acceptance by economic agents.

172. The reserve money stock was largely made up of statutory reserves in foreign currency (68%) and local currency (16%), while excess reserves and currency issued comprised the remainder, as shown in Figure 18.

Figure 21: Reserve Money Components as at April 2025



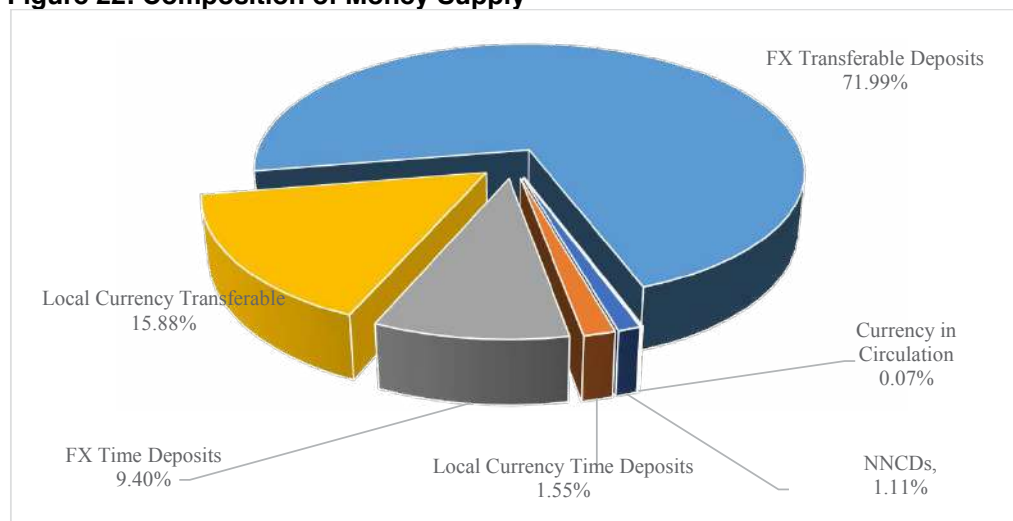
Source: Reserve Bank of Zimbabwe, 2025

173. The growth in the local currency component of reserve money is an important milestone and positive step towards Government's de-dollarisation roadmap.

Broad Money Developments

174. Broad money (M3) stood at ZiG93.2 billion in May 2025, an increase of 18.1% from ZiG78.9 billion recorded in December 2024. The growth largely reflected an expansion of 17.7% in the foreign currency component in broad money from ZiG64.4 billion to ZiG75.8 billion.

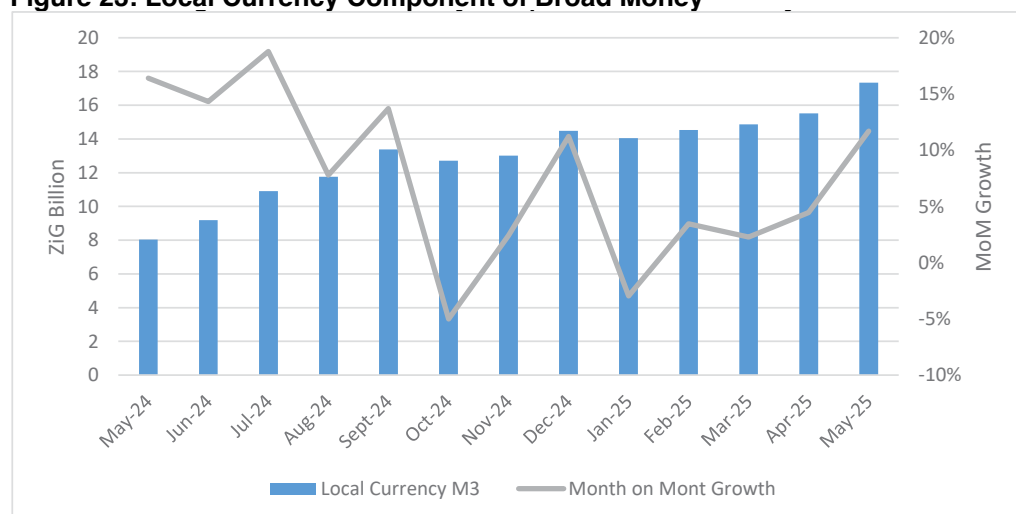
Figure 22: Composition of Money Supply



Source: Reserve Bank of Zimbabwe, 2025

175. The local currency component of M3 also increased by 19.8%, from ZiG14.4 billion to ZiG17.3 billion.

Figure 23: Local Currency Component of Broad Money



Source: Reserve Bank of Zimbabwe, 2025

176. The decline in month-on-month growth of broad money compared to the period before September 2024, is attributed to the tight monetary policy stance, which has brought stability to inflation and the exchange rate.

Financial Inclusion

177. Financial inclusion remains a powerful tool for strong and inclusive economic development and growth, and the attainment of both sustainable development goals and the National Development Strategy (NDS1), as well as Vision 2030.

178. To this end, Government continues in collaborative efforts in the implementation of the National Financial Inclusion Strategy (NFIS) II (2022-2026), through various activities that foster an inclusive and resilient financial system in Zimbabwe.

179. During the period under review, the Reserve Bank in collaboration with partners and stakeholders conducted financial literacy programmes in various provinces of the country. The total outreach in terms of physical in-person activities was 22 482 learners, teachers and lecturers. Total outreach on the social media platforms was estimated to be over 208 486, while over 80 000 were reached through radio listenership.

180. The trend in the movement of the financial inclusion indicators during the period under review is shown in Table below.

Table 29: Financial Inclusion Indicators

Indicator	Dec 23	Mar 24	June 24	Sept 24	Dec 24	Mar 25
	ZW\$	ZW\$	ZiG	ZiG	ZiG	ZiG
Number of Loans to MSMEs	8,307	8,237	8,660	7,861	11,927	6,702
Value of loans to MSMEs	583.75bn	1.71bn	1.55bn	3.24bn	5,46bn	3.53bn
Loans to MSMEs as % of Total Loans	4.96	3.73	5.25	7.55	8.49	6.97
Number of Female Borrowers	185,326	190,501	189,763	204,560	319,634	311,781
Loans to Female Borrowers	912.75bn	3.04tn	2.38bn	4.23bn	4.91bn	4.68bn
Loans to Women as a % of Total Loans	7.76	6.62	8.05	9.86	10.39	9.16
Number of Loans to Youth	57,216	58,636	52,392	61,968	73,770	88,384
Value of Loans to Youth	370.51bn	1.41tn	1.19bn	2.89bn	2.76bn	2.97bn
Loans to Youth as a % of Total Loans	3.15	3.08	4.03	6.75	5.84	5.86
Number of Active Bank Accounts (Million)	7.69	7.02	6.62	7.29	7.53	7.69
Number of Low-Cost Bank Accounts (Million)	3.75	3.63	3.82	3.38	3.37	3.49

Source: Reserve Bank

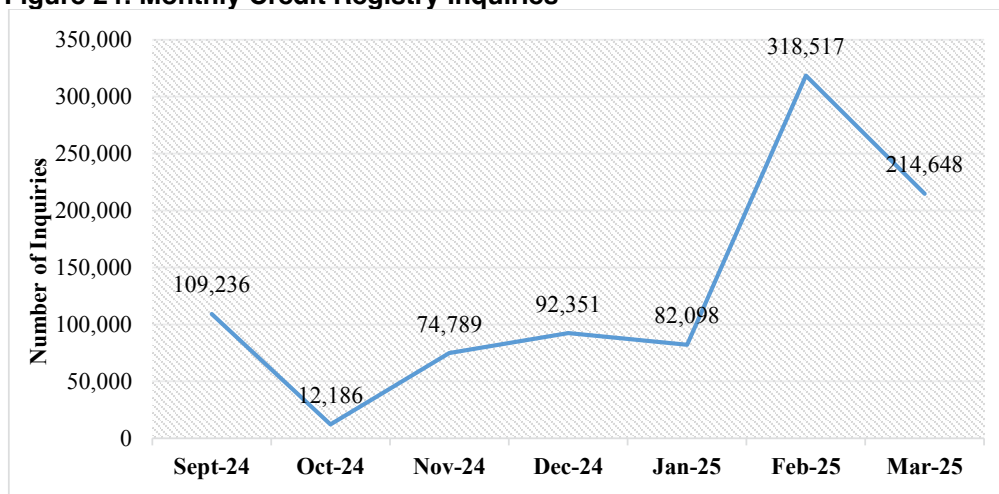
181. Financial services providers are urged to adopt digital technologies to enhance increased outreach of financial services to the underserved segments.

Credit Infrastructure

182. The sharing of credit information among lending institutions, through the Credit Registry and private credit bureaus, continues to enhance credit market efficiency, financial inclusion, and financial stability.

183. The Credit Registry accumulated 5.8 million inquiries as at 31 March 2025 up from 5.2 million as of 31 December 2024, indicating enhanced access to the system. The figure below illustrates the trend in monthly Credit Registry inquiries for the period September 2024 to March 2025.

Figure 24: Monthly Credit Registry Inquiries

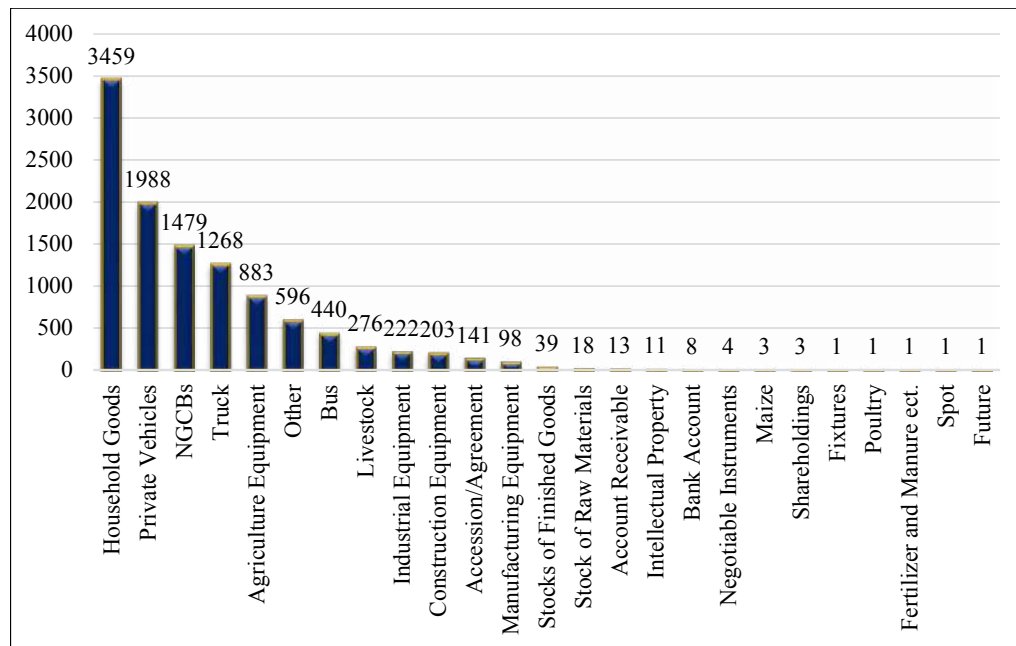


Source: Reserve Bank of Zimbabwe

184. Government has been actively increasing awareness of the operations and benefits of the collateral registry, an initiative aimed at improving access to credit for the underserved segments.

185. Lending institutions continue to broaden the range of movable assets accepted as collateral. During the quarter ending 31 March 2025, registered collateral included household goods, livestock, private vehicles, trucks, agricultural plant and equipment, and shares.

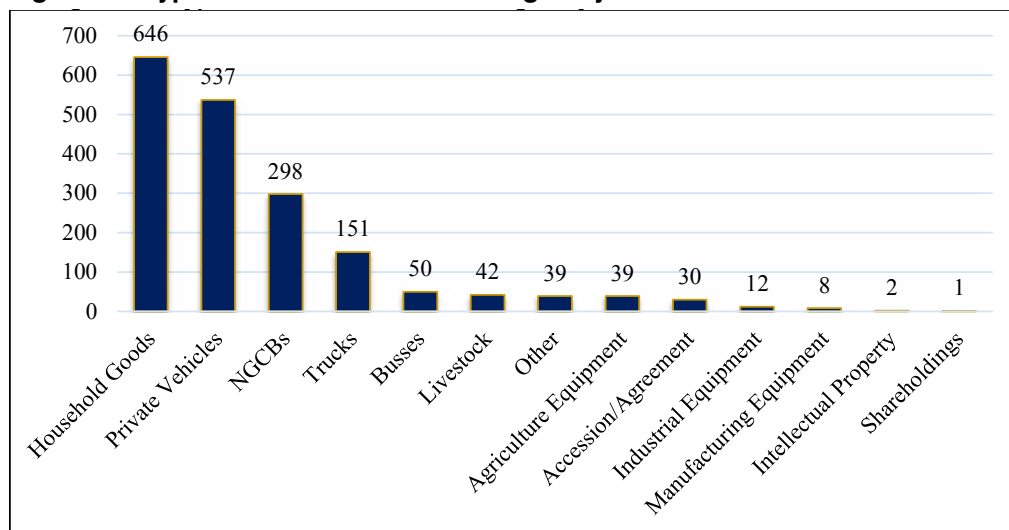
Figure 25: Types of Registered Movable Assets as at 31 March 2025



Source: Reserve Bank of Zimbabwe

186. Women borrowers continue to be a key demographic, with household goods making up a significant portion of the collateral pledged, reflecting efforts to promote financial inclusion.

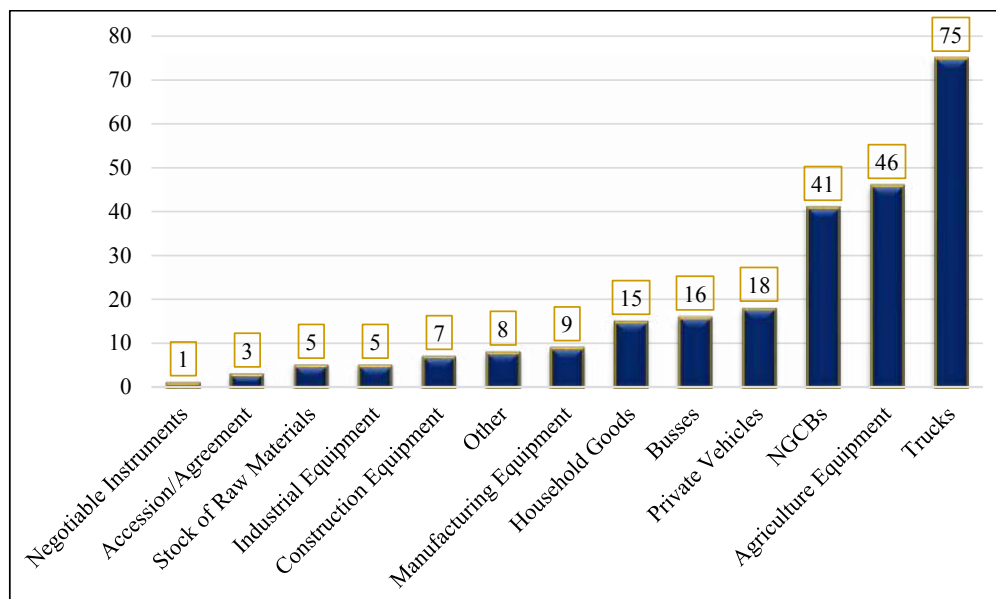
Figure 26: Types of Movable Assets Pledged by Women as at 31 March 2025



Source: Reserve Bank of Zimbabwe

187. Micro, Small and Medium Enterprises (MSMEs) also pledged a variety of movable assets, including construction equipment, agricultural machinery, and Notarial General Covering Bonds (NGCBs), particularly in the agricultural sector, reinforcing the Registry’s utility in supporting this critical segment of the economy.

Figure 27: Total Collateral Pledged by MSMEs as at 31 March 2025



Source: Reserve Bank of Zimbabwe

Insurance and Pensions

Pensions Industry

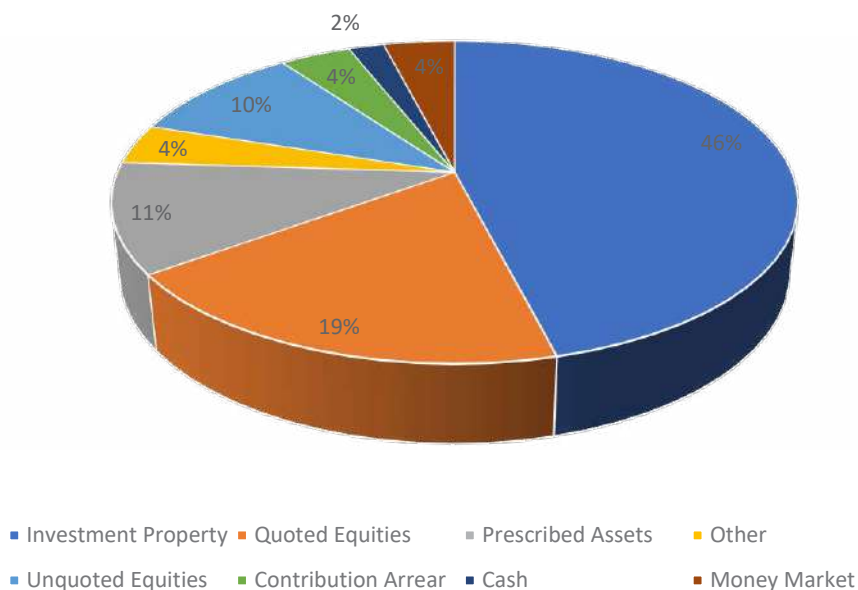
188. As at 31 March 2025, the pensions industry had 967 registered pension funds, a marginal increase from 966 funds registered as at 31 March, 2024. Of the registered pension funds, 479 were active, accounting for 49.5% of the industry, while the remaining 488 were inactive, that is, managing assets and liabilities, and no longer receiving contributions from members and employers. A total of 372 out of the 488 inactive funds had been earmarked for dissolution.

189. The industry’s total membership of pension funds, excluding beneficiaries, increased by 1.2% from 979 563 in March 2024 to 990 801 as at 31 March 2025. The increase is attributed to new entrants.

Industry Assets

190. The value of the pension industry assets stood at ZiG66.4 billion as at 31 March 2025, a 13.9% increase from ZiG58.3 billion as at 31 December 2024. The increase was attributed to revaluation gains, new investments and positive fair value adjustments in investment properties and equity instruments.

Figure 28: Pensions Industry Asset Composition



Source: IPEC

191. The industry`s assets were concentrated in investment properties and quoted equities, making up 65% of the total assets portfolio. This is within the 75% investment limit for property and stocks specified in the Insurance and Pensions Commission Investment Guidelines.

Compliant with Prescribed Assets

192. The insurance companies and pension funds are required to hold a certain portion of their assets in prescribed assets, as stipulated in the insurance and pensions regulations.

193. During the period under review, a total of 8 applications were conferred prescribed asset status for various purposes of investment in projects including infrastructure development, agriculture, solar energy, hydro power generations and Real Estate Investment Trusts (REITs), among others.

194. The insurance and pension industry`s prescribed asset status compliance slightly improved during the period under review compared to the similar period last year. The table below indicates compliance levels by class of business:

Table 30: Compliance Status with Prescribed Assets as at 31 March 2025

Class of Business	Minimum Required	Compliance Level (%)	
		31 Mar 2024	31 Mar 2025
	(%)		
Life Assurers	15	11.16	9
Short-term Insurers	10	7	10
Life Reassurers	15	4	24
Short-term Re-Insurers	10	12.72	16
Pensions	20	10	11

Source IPEC

Pre-2009 Insurance and Pension Compensation

195. Government remains committed to compensating pensioners whose contributions lost value due to the 2009 currency reforms. To fulfil this commitment, Government allocated US\$25 million towards the compensation of Government pensioners who qualify for pre-2009 loss of pension values. As a result, 35 538 beneficiaries were compensated during the period under review.
196. As at 31 March 2025, IPEC had approved two private compensation schemes and disbursements of close to US\$500 000 to eligible pensioners have been made.
197. Overall, the approval rate for compensation schemes has been protracted due to several factors including:

- Some pension funds and insurers have serious data gaps relating to the investigative period, making it difficult to compute compensation as per the provisions of Statutory Instrument 162 of 2023;
 - All life companies are struggling to separate assets for shareholders and policyholders for the investigative period; and
 - Substantial funding shortfalls for some pension funds as available assets cannot fully support the computed liabilities.
198. In light of the above challenges, Government is in the process of amending the Pre-2009 Compensation Regulations, published through Statutory Instrument 162 of 2023 to expedite the compensation process.

Insurance Industry

199. The insurance industry recorded a 12% increase in total industry assets from ZiG24.6 billion as at 31 December 2024 to ZiG27.6 billion as at 31 March 2025. The growth is driven mainly by the growth in assets of life assurers and reinsurers. The table below shows the disaggregation by sector.

Table 31: Insurance for the Industry Assets

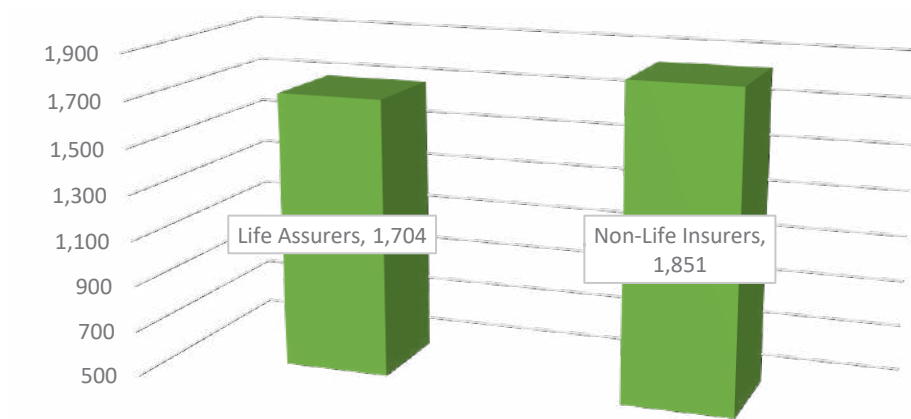
Class of Business	31 Dec 24	31 Mar 25	Growth (%)
Non-Life Insurers	6,357	6,557	3.1
Non-Life Reinsurers	4,619	5,122	10.9
Life Assurers	13,447	15,656	16.4
Life Reassurers	225	275	22
Total	24,648	27,610	12

Source: IPEC

Revenue Performance

200. As at 31 March 2025, 66% of the revenue was written in foreign currency, whilst 34% was in local currency.
201. Insurance revenue by direct underwriters stood at ZiG3.6 billion for the period ended 31 March 2025. Life insurers and short-term insurers recorded insurance revenue of ZiG1.7 billion and ZiG1.8 billion, respectively.

Figure 29: Insurance Revenue (ZiG Million)



Source IPEC

202. The industry recorded US\$89.2 million in foreign currency-denominated transactions for the period ended 31 March 2025, an 18.3% increase from US\$75.4 million reported as at 31 March, 2024 as depicted in Table below.

Table 32: Foreign Currency Business (US\$ million)

Class of Business	Revenue		
	31 Mar 24	31 Mar 25	Growth (%)
Short-term insurers	53.18	56.53	6.3
Life Insurers	22.25	32.69	46.9
Total	75.43	89.22	18.3

Source IPEC

Minimum Capital Requirements

203. Government gazetted the USD-indexed minimum capital requirements for the insurance industry through Statutory Instrument 67 of 2025, to ensure a sound insurance sector and protection of policyholders.
204. It is envisaged that the implementation of the new minimum capital regime will enhance the underwriting capacity of the local insurance industry, as well as retention of the premium in the local economy.

Agriculture Index Insurance: Farmers Basket

205. Government, in collaboration with the Insurance and Pensions Commission (IPEC), the Access to Insurance Initiative, the Insurance Council of Zimbabwe, farmers and development partners, spearheaded the development of Farmer's Basket Insurance, an agricultural index-based product. The product was piloted with an enrolment of 4 014 farmers in Goromonzi District for the 2023/2024 agricultural season triggering a payout of US\$232 000 as drought compensation.
206. Given the success of the pilot project, the Farmer's Basket Insurance Scheme has since been upscaled to 8 districts for the 2024/25 season. A total of 20 000 smallholder farmers

have been enrolled on the project, to enhance resilience and ensure food security.

African Risk Capacity Drought Insurance

207. Following the successful payout of Government insurance to the Africa Risk Capacity (ARC) in 2024, Government renewed the sovereign drought insurance policy to the tune of US\$3 million. The premium was subsidised by developing partners namely, Swiss Development Agency (SDA), African Development Bank (AFDB) and KFW.
208. To complement Government's efforts in strengthening and expanding the drought insurance coverage, Zimbabwe's replica partners namely, Start Network, United Nations World Food Programme (UNWFP) and United Nations High Commissioner of Refugees (UNHCR), also purchased ARC Replica drought insurance, with premiums of US\$1.3 million, US\$770 000 and US\$500 000, respectively.
209. Furthermore, Government ratified the ARC Treaty in March 2025 in order to strengthen the partnership with the ARC.

Marine Insurance

210. Following Government's announcement to introduce marine insurance, drafting of the regulations that will govern the provision of marine insurance is in progress.
211. Domestication of Marine Insurance ensures local insurers will provide coverage for maritime activities, retaining premiums within the country, thus preserving foreign exchange reserves and strengthening the domestic insurance sector.

Anti-Money Laundering, Combating the Financing of Terrorism and Proliferation Financing

212. Since the country's removal from the Financial Action Task Force (FATF) "*grey list*" of non-compliant countries in 2022, Zimbabwe has continued to implement measures to strengthen the anti-money laundering regime, closing outstanding legal gaps and strengthening effectiveness on combating financial crime.
213. During the first half of the year, Government completed the 3rd National Risk Assessment (NRA) in April 2025, which provided an updated and in-depth understanding of Zimbabwe's money laundering and terrorist financing vulnerabilities. The assessment rated Zimbabwe Money Laundering (ML) risk as

medium, after taking into consideration the national threat level of medium-low and a national vulnerability rating of medium-high.

214. The NRA assessed Zimbabwe's Virtual Assets (VA) and Virtual Asset Service Providers (VASPs), identifying four main categories including wallet providers, exchanges, initial coin offerings (ICOS) and virtual asset exchanges which also present a medium low risk of money laundering and terrorist financing.
215. Furthermore, Government has successfully amended the Private Voluntary Organisations Act [*Chapter 17:05*] which addresses outstanding deficiencies that were noted in FATF Recommendation 2 and 8 on the importance of cooperation between public authorities and non-profit organizations, and combating the abuse of Non-Profit Organizations (NPOs) for terrorist financing, respectively. This will enable the country to apply for rerating for both Recommendations 2 and 8 ahead of 2026 Mutual Evaluation.
216. To bolster the country's preparedness for the forthcoming AML/CFT 2026 Mutual Evaluation, all stakeholder institutions in the Anti Money Laundering value chain should play their respective roles to ensure effective implementation of

measures to combat money laundering and related financial crimes.

Capital Market Performance

217. The Zimbabwe Stock Exchange (ZSE) closed the month of May 2025 with forty-eight (48) listings comprised of 5 Exchange Trade Fund (ETFs), 2 Real Estate Investment Trust (REITs) and 41 equity listings of which 36 are active.

218. With respect to the VFEX, the number of listings stood at sixteen (16) listings, split into two Depository Receipts (DRs), one debt instrument, one REIT and twelve equity instruments of which eleven (11) were active. Of the 16 listed companies on VFEX, 11 migrated from ZSE.

Zimbabwe Stock Exchange

219. The ZSE All Share Index, which is the benchmark for all ZSE-listed entities, declined by 9.5% to close at 196.6 points, reflecting constrained trading activity, primarily driven by low market liquidity.

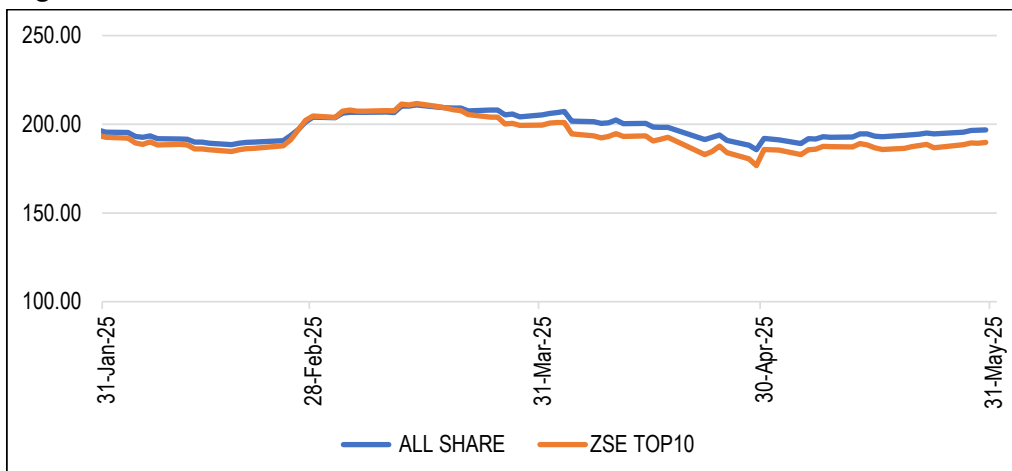
Table 33: ZSE Indices

Index	31 Dec 2024	31 May 2025	Change (%)
All Share	217.50	196.61	-9.49%
ZSE Top 10	216.05	189.23	-12.15%
Mining	235.38	145.40	-38.23%

Source: ZSE

220. The chart below illustrates the performance of the ZSE All Share Index and the Top 10 Index as of 31 May 2025.

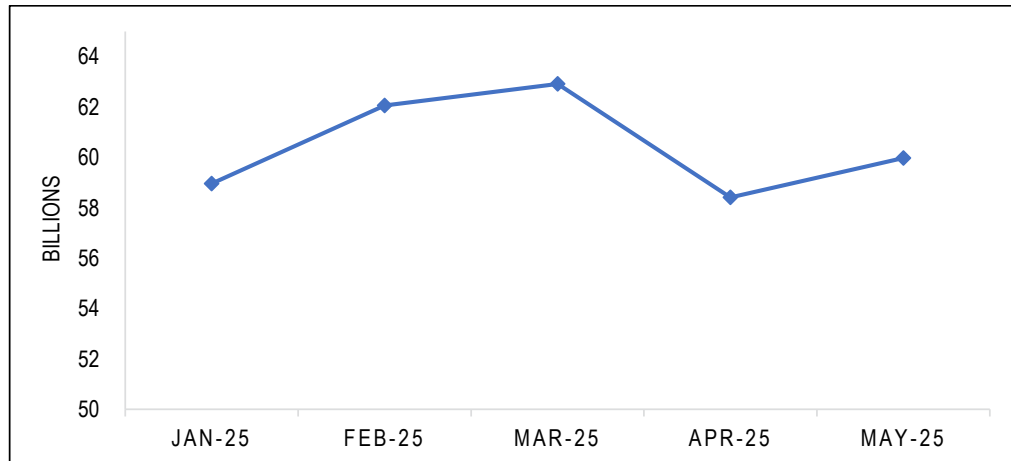
Figure 30: ZSE Indices



Source: ZSE

221. Total market capitalisation grew by 1.2% from ZiG58.9 billion as at January 2025 to close the month of May 2025 at ZiG60 billion.

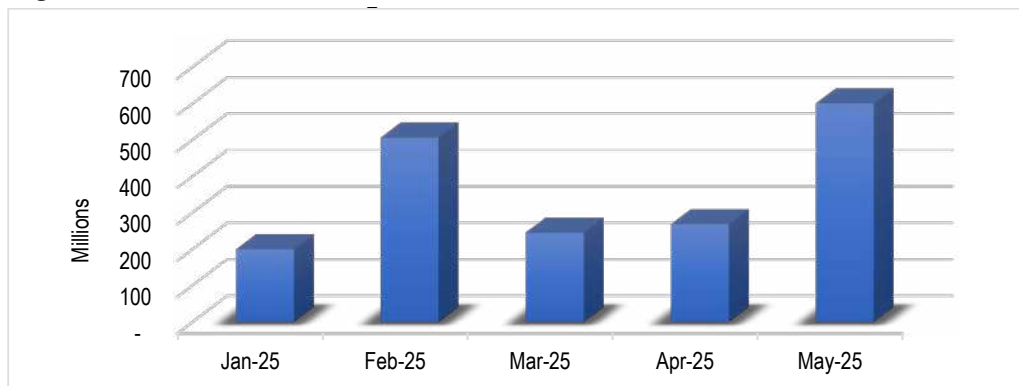
Figure 31 ZSE Market Capitalisation



Source: ZSE

222. The ZSE registered a turnover growth of 314% to ZiG1.82 billion for the five (5) months to May 2025 compared to ZiG440 million for the same period in 2024.

Figure 32: ZSE Turnover



Source: ZSE

Victoria Falls Stock Exchange

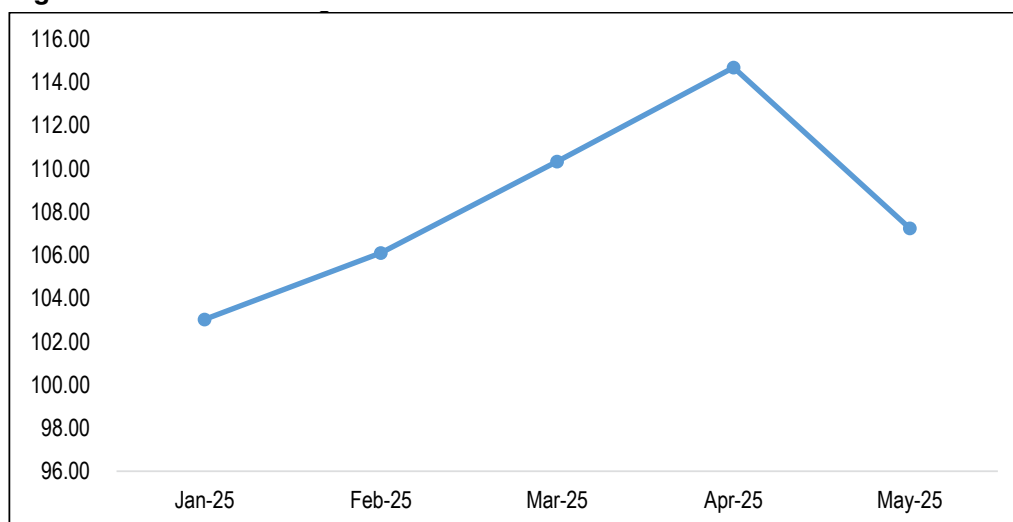
223. The VFEX All Share Index was up by 4.1 % to close 31 May 2025 at 107.2 points from 103 points recorded on 1 January 2025.

Table 34: VFEX Indices

	01-Jan-2025	31-May-2025	Change (%)
VFEX-ALL SHARE	103.02	107.24	4.10%

224. The graph below shows the trend of the All Share index from January 2025 to May 2025.

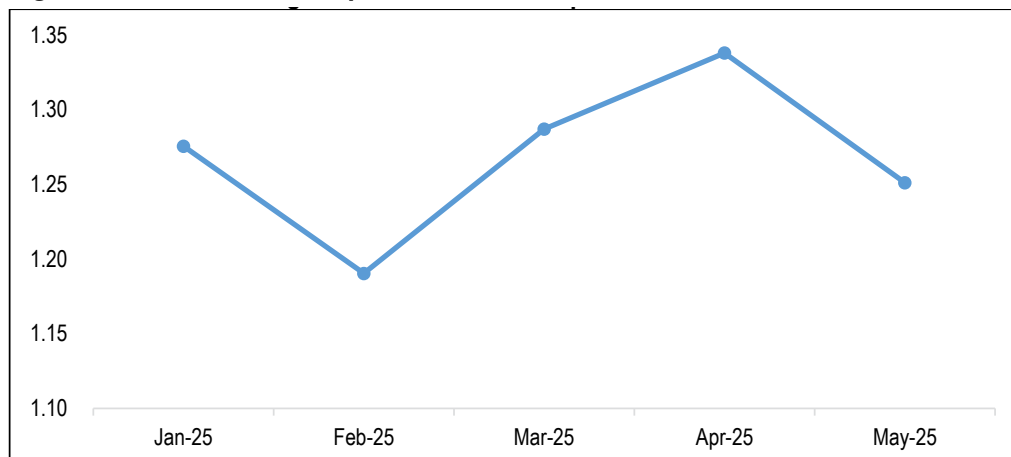
Figure 33: VFEX All Share Index



Source: VFEX

225. Total market capitalisation declined marginally by 2% to close at US\$1.25 billion in May 2025 from US\$1.28 billion as some counters exited the market.

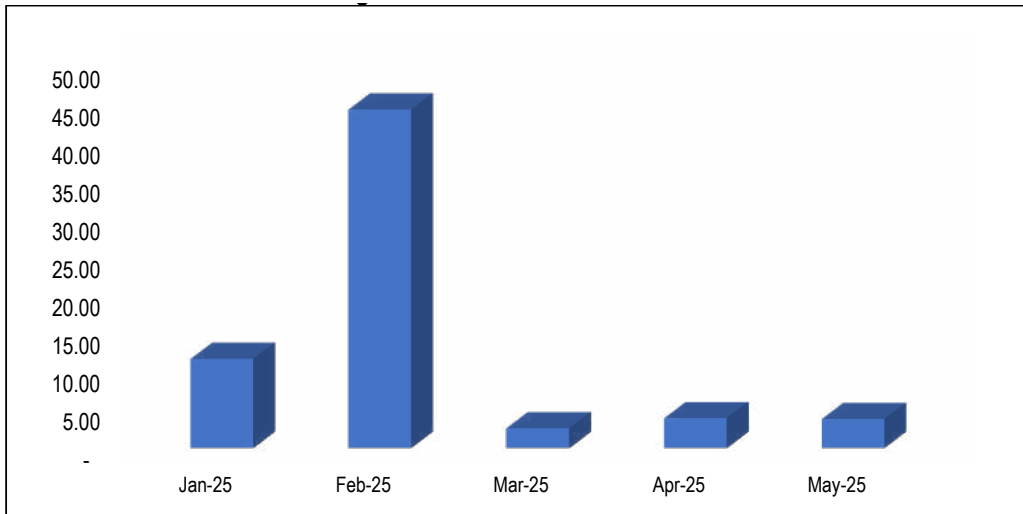
Figure 34: VFEX Market Capitalisation



Source: VFEX

226. The VFEX turnover surged to US\$66 million for the five (5) months to May 2025 compared to US\$19 million for the same period last year reflecting a 254% increase as investors continued to seek value preservative opportunities through the USD denominated platform. This growth was largely on the back of a US\$40.2 million negotiated trade that was registered in February 2025 upon AFCARME selling its FCB shares to FMB Zimbabwe holdings.

Figure 35: VFEX Turnover



Source: VFEX

Victoria Falls International Financial Centre (VFIFC)

227. Government established the Victoria Falls International Financial Centre (VFIFC) through Statutory Instrument 29 of 2025 in order to position Victoria Falls as a premier financial hub globally and in the Southern African region.
228. It is envisaged that the VFIFC would be a catalyst to drive inflows of foreign direct investment, thus enabling businesses and Government to invest in new ventures, infrastructure and development projects.
229. The Centre's Head Office will be located at the Mosioa Tunya Development Company in the Special Economic Zone (SEZ) of Masuwe area in Victoria Falls. It is envisaged that this location will enhance the Centre's visibility and attraction to investors.

230. The development of regulatory frameworks for banking, insurance and the capital market segments is underway.

PUBLIC DEBT

231. The country's stock of Public and Publicly Guaranteed (PPG) debt stood at ZiG576.5 billion as at end of March 2025. The debt was comprised of external debt totalling ZiG337.7 billion, and domestic debt amounting to ZiG238.8 billion, representing 58.6% and 41.4% respectively.

Table 35: PPG Debt Stock - End March 2025 (ZiG millions)

	DOD	PRA	IRA	Penalties	PRA+IRA+ Penalties	Total
Total Public Debt (A+B)	367,765	91,910	49,709	67,069	208,688	576,453
A. External Debt (1+2+3)	136,399	84,870	49,326	67,069	201,266	337,665
1. Bilateral Creditors	40,906	49,366	15,914	60,401	125,680	166,585
<i>Paris Club</i>	1,493	36,308	12,671	57,342	106,321	107,814
<i>Non-Paris Club</i>	39,413	13,057	3,243	3,059	19,359	58,772
2. Multilateral Creditors	53,044	35,505	33,413	6,669	75,586	113,989
World Bank	2,147	21,144	19,425	-	40,569	42,717
African Development Bank	520	8,658	12,847	-	21,505	22,025
European Investment Bank	187	3,988	672	6,669	11,329	11,516
Trade and Development Bank	14,641	328	296	-	624	15,264
Afreximbank	34,150	1,275	327	-	1,602	35,752
Others	1,400	439	141	-	581	1,980
3. RBZ Liabilities Assumed by Treasury	57,091	-	-	-	-	57,091
B. Domestic Debt	231,366	7,039	383	-	7,423	238,788
<i>Government Securities</i>	137,687	6,131	383	-	6,515	144,201
<i>Treasury Bills</i>	7,689	1,486	87	-	1,574	9,262
<i>Treasury Bonds</i>	129,999	4,657	294	-	4,952	134,939

	DOD	PRA	IRA	Penalties	PRA+IRA+ Penalties	Total
Domestic Arrears (to Service Providers)	-	908	-	-	908	908
Compensation of Former Farm Owners	93,679	-	-	-	-	93,679

Source: Zimbabwe Public Debt Management Office and the Reserve Bank of Zimbabwe

DOD: Disbursed Outstanding Debt

PRA: Principal Arrears

IRA: Interest Arrears

Exchange rate - 31 March 2025: US\$1: ZiG26.7654

232. In US\$ terms, the total PPG debt as at end March 2025, amounted to US\$21.5 billion, comprising external debt stock of US\$12.6 billion and domestic debt stock of US\$8.9 billion. This brings debt to GDP ratio to 44% as at 31 March 2025.

Table 36: PPG Debt Stock - End March 2025 (US\$ millions)

	DOD	PRA	IRA	Penalties	PRA+IRA+ Penalties	Total
Total Public Debt (A+B)	13,740	3,434	1,857	2,506	7,763	21,537
A. External Debt (1+2+3)	5,096	3,171	1,843	2,506	7,520	12,616
1. Bilateral Creditors	1,528	1,844	595	2,257	4,696	6,224
Paris Club	56	1,357	473	2,142	3,972	4,028
Non-Paris Club	1,473	488	121	114	723	2,196
2. Multilateral Creditors	1,982	1,339	1,259	249	2,847	4,829
World Bank	80	790	726	-	1,516	1,596
African Development Bank	19	323	480	-	803	823
European Investment Bank	7	149	25	249	423	430
Trade and Development Bank	547	12	11	-	23	570
Afreximbank	1,276	48	12	-	60	1,336
Others	52	16	5	-	22	74
3. RBZ Liabilities Assumed by Treasury	2,133	-	-	-	-	2,133
B. Domestic Debt	8,644	263	14	-	243	8,922
Government Securities	5,144	229	14	-	243	5,388

Treasury Bills	287	56	3	-	59	346
Treasury Bonds	4,857	174	11	-	185	5,042
Domestic Arrears (to Service Providers)	-	34	-	-	-	34
Compensation of Former Farm Owners	3,500	-	-	-	-	3,500

Source: Zimbabwe Public Debt Management Office and the Reserve Bank of Zimbabwe

DOD: Disbursed Outstanding Debt

PRA: Principal Arrears

IRA: Interest Arrears

233. The external and domestic debt arrears as at end March 2025, amounted to US\$7.8 billion, constituting 36% of total PPG debt. The accumulation of arrears since year 2000 have been worsening the country`s debt situation, constraining access to external concessional financing.
234. In this regard, Government is implementing the Arrears Clearance and Debt Resolution Roadmap in order to restore debt sustainability and unlock critical external financing needed for the country`s development programs.

Debt Service

235. During the period January to June 2025, Treasury made payments amounting to US\$176.28 million for external debt service, which includes US\$93.72 million towards the active portfolio, US\$79.75 million for legacy debts and US\$2.81 million of token payments to the International Financial Institutions and the sixteen Paris Club Bilateral Creditors.

Table 37: External Debt Service - Jan to Jun 2025 (US\$ millions)

	Jan-Mar	Apr-Jun	Grand Total
Active Portfolio			
<i>BADEA</i>	<i>0.64</i>	<i>0.05</i>	<i>0.69</i>
<i>IFAD</i>	<i>0.25</i>	-	<i>0.25</i>
<i>OPEC FUND</i>	<i>0.04</i>	<i>1.83</i>	<i>1.87</i>
<i>China Exim Bank</i>	<i>1.43</i>	-	<i>1.43</i>
<i>Afreximbank</i>	<i>35.93</i>	<i>31.28</i>	<i>67.2</i>
<i>IMF-SDR</i>	<i>11.55</i>	<i>10.73</i>	<i>22.28</i>
Sub Total	49.83	43.89	93.72
Legacy Debts	6.98	72.78	79.75
Token Payments			
<i>World Bank</i>	-	<i>1</i>	<i>1</i>
<i>African Development Bank</i>	-	<i>0.5</i>	<i>0.5</i>
<i>Paris Club</i>	-	<i>1.31</i>	<i>1.31</i>
Sub Total	-	2.81	2.81
Grand Total	56.81	119.48	176.28

Source: Zimbabwe Public Debt Management Office

236. Domestic debt service in local currency totaled ZiG1.64 billion, comprising both principal and interest payments during the period January to June 2025. Of this, ZiG39.52 million was paid towards interest payments and ZiG1.60 billion for principal payments related to ZiG-denominated Treasury Bills and bonds.

Table 38: ZiG Domestic Debt Payments - Jan to Jun 2025 (millions)

ZiG Treasury Bills and Bonds	Jan - Mar	Apr - Jun	Total
Interest	18.80	20.72	39.52
Principal	920.23	676.17	1,596.40
Total	939.03	696.89	1,635.93

Source: Zimbabwe Public Debt Management Office

237. In addition, domestic debt service in foreign currency totaled US\$286.60 million, broken down as US\$66.38 million for interest and US\$167.27 million for principal towards US dollar-denominated Treasury Bills and bonds.

Table 39: US\$ Domestic Debt Payments - Jan to Jun 2025 (millions)

US\$ Treasury Bills and Bonds	Jan - Mar	Apr - Jun	Total
<i>Interest</i>	<i>46.12</i>	<i>20.26</i>	<i>66.38</i>
<i>Principal</i>	<i>123.35</i>	<i>43.92</i>	<i>167.27</i>
Sub Total	169.47	64.17	233.65
RBZ Liabilities Assumed by Treasury	-	-	-
<i>Assumed 2021</i>	-	-	-
<i>Assumed in 2023</i>	-	-	-
Sub Total	31.09	21.86	52.95
Grand Total	200.57	86.03	286.60

Source: Zimbabwe Public Debt Management Office

Financing

238. During the period January to June 2025, Treasury mobilized resources for budget financing totaling ZiG1.3 billion, including US\$90 million Treasury Bills, through the issuance of domestic securities. These resources were mobilised from the banking sector through private placement. Treasury is working on the

re-introduction of Government securities auction system for competitiveness and price discovery.

239. The local currency Treasury Bills for the period January to June, 2025 were issued at an average rate of 13.0% for the 90-day tenor, 14.0% for the 180-day tenor, and 14.5% for the 270-day tenor, while the US\$ denominated Treasury Bills were issued at an average interest rate of 12.5% for the 90-day and 6.0% for the 365-day tenor.

Table 40: 2025 Treasury Bills Jan – Jun (millions)

Instrument	ZiG		US\$	
	Amount	Average IR	Amount	Average IR
90	610.72	13	80.00	12.5
180	130.00	14	-	
270	44.00	14.5	-	
360	-		3.75	6
Total Q1	784.72		83.75	
90	290.00	14	-	
180	187.35	16	-	
360	-		6.24	6
Total Q2	477.35		6.24	
Grand total	1,262.07		89.99	

Source: Zimbabwe Public Debt Management Office

Note: IR – Interest Rate

240. In the first quarter, a total of ZiG779.44 million and US\$84.91 million were issued, including 90-day, 180-day, 270-day, and 365-day instruments. Subsequent issuances include ZiG1.16 billion and US\$95.79 million in the second quarter, with projections of US\$20 million for the third and fourth quarters.

241. Existing external loan disbursements from IFAD, OFID and Kuwait totaled US\$1.2 million in the first quarter, US\$0.8 million in the second quarter, with projections of US\$15.2 million expected in each of the last two quarters. A new external loan of US\$40 million is expected during the last quarter of the year.

Table 41: 2025 Annual Borrowing Plan (ZiG/US\$ millions)

	Actuals				Projections			
	Jan-Mar		Apr-Jun		July-Sept		Oct-Dec	
	ZiG	USD	ZiG	USD	ZiG	USD	ZiG	USD
<i>90-days</i>	605.44	80.00	846.00	-	-	-	-	-
<i>180-days</i>	130.00	-	317.35	-	-	20.00	-	20.00
<i>270-days</i>	44.00	-	-	-	-	-	-	-
<i>365-days</i>	-	3.75	-	15.79	-	-	-	-
<i>Domestic loan</i>	-	-	-	80	-	-	-	-
Sub Total	779.44	83.75	1,163.35	95.79	-	20.00	-	20.00
<i>Existing External loan disbursement (IFAD, OFID, Kuwait-US\$30.4 million)</i>	-	1.16	-	0.784	-	15.20	-	15.20
<i>New External loan (US\$40 million)</i>	-	-	-	-	-	-	-	40.00
Grand Total	779.44	84.91	1,163.35	96.57	-	35.20	-	75.20

Source: Zimbabwe Public Debt Management Office

242. In addition, during the period January to June 2025, external loan disbursements amounted to US\$1.94 million, comprising of US\$0.20 million disbursed by BADEA to SMEDCO for Small to Medium and Micro projects, US\$0.96 million from India Exim Bank towards the Deka Pumping Station and River Intake System and the OPEC Fund for International Development (OFID) disbursed US\$0.78 million for the Smallholder Agriculture Cluster Project.

Table 42: External Loan Disbursement – End June 2025 (US\$ millions)

Project Name	Lender	Amount (US\$)
US\$3 Million line of credit (SMEDCO)	BADEA	0.20
Deka Pumping Station & River Water Intake System	India Exim Bank	0.96
Smallholder Agriculture Cluster Project (SACP)	OFID	0.78
Total		1.94

Source: Zimbabwe Public Debt Management Office

Arrears Clearance and Debt Resolution Process

243. Zimbabwe’s debt distress situation is a structural barrier to Zimbabwe’s inclusive and sustainable economic growth agenda. In this regard, Government is implementing the Arrears Clearance and Debt Resolution Roadmap through the Structured Dialogue Platform Process (SDPP) in line with NDS1 (2021 to 2025) and the forthcoming NDS2 (2026 to 2030).
244. In order to clear external debt arrears, restore debt sustainability and to unlock external concessional financing, Government is implementing critical reforms to underpin the Structured Dialogue Platform Process under the following strategic pillars:
- Economic Growth and Stability;
 - Governance; and
 - Land Tenure Reforms (99-year Lease Bankability), Compensation of Former Farm Owners and Resolution of Bilateral Investment Protection and Promotion Agreements (BIPPAs).

245. Significant progress has been achieved in implementing the reforms under the three strategic pillars, with the economy experiencing macro-economic stability.
246. In order to establish a track record of implementing sound economic reforms, Government requested a Staff Monitored Program (SMP) with the IMF. Discussions with the IMF have been on-going and are continuing with a target to agree on all the Prior Actions, Quantitative Targets and Structural Benchmarks in the coming months. During an IMF Team Mission in Harare from 4 to 18 June 2025, broad convergence was reached on the bulk of the policy issues to underpin the SMP. Outstanding policy issues are being actively considered by Government and the IMF Mission Team.
247. In the meantime, Government will continue implementing the policy measures which were agreed and concluded during the June 2025 IMF Mission. These include among others, measures to close the 2025 fiscal financing gap, strengthening the monitoring of fiscal risks from public entities, institutionalisation of reporting of domestic arrears to suppliers of goods and services, operationalisation of a monetary policy framework to buttress price stability, improving the transparency and enhance the efficiency of the willing buyer willing seller exchange rate system, and preparation and

adoption of manuals detailing the systems operations of the Zimbabwe Social Registry.

THE 2025 NATIONAL BUDGET FISCAL FRAMEWORK

248. The 2025 National Budget approved by Parliament on 18 December 2024, is premised on a macro fiscal framework with the projected GDP growth of 6%, revenue collections of ZiG270.3 billion (19.6% of GDP), overall expenditures of ZiG276.4 billion or 20.1% of GDP, as well as a budget deficit of ZiG6.1 billion (0.4% of GDP).

Table 43: Fiscal Framework (ZiGM)

	App Budget
National Accounts	
Real GDP at (2019) market prices (Million ZiG)	102.7
Nominal GDP at market prices (Million ZiG)	1,375,936.3
Real GDP Growth (%)	6.0
Government Accounts	
Revenues	270,300.0
% of GDP	19.6
Expenditures & Net Lending (Million ZiG)	276,370.9
% of GDP	20.1
Expenses	236,767.2
% of GDP	17.2
Use of goods and services	43,776.7
% of GDP	3.2
% Total Expenditure	15.8
% of Revenue	16.2
Compensation of Employees	152,576.8
% of GDP	11.1
% Total Expenditure	55.2
% of Revenue	56.4
Interest Payments	5,614.3
% of GDP	0.4

	App Budget
% of Revenue	2.1
Capital Expenditure	39,603.7
% of GDP	2.9
Overall Balance	-6,070.9
% of GDP	-0.4

Source: MoFED&IP (2024)

249. In US dollar terms, the fiscal framework translates to revenues of US\$7.5 billion and expenditures of US\$7.7 billion, as well as a budget deficit of US\$168.4 million (0.4% of GDP).

Table 44: Fiscal Framework (US\$M)

	App Budget
Nominal GDP at market prices (Million USD)	38,178.0
Real GDP Growth (%)	6.0
Revenues	7,500.0
% of GDP	19.6
Expenditures & Net Lending (Million ZiG)	7,668.4
% of GDP	20.1
Expenses	6,541.8
% of GDP	17.1
Use of goods and services	1,186.9
% of GDP	3.1
% Total Expenditure	15.5
% of Revenue	15.8
Compensation of Employees	4,233.5
% of GDP	11.1
% Total Expenditure	55.2
% of Revenue	56.4
Interest Payments	155.8
% of GDP	0.4
% of Revenue	2.1
Capital Expenditure	1,126.6
% of GDP	3.0
Overall, Balance	-168.4
% of GDP	-0.4

Source: MoFED&IP (2024)

Budget Performance

250. During the first half of the year 2025, both inflation and exchange rate were relatively stable than envisaged. The budget has, therefore, been performing below target in local currency terms, although, performance was significantly above target in foreign currency terms.
251. Revenue collections during the period January to June 2025 amounted to ZiG101.2 billion against a target of ZiG118.1 billion, whilst expenditures were ZiG98 billion against a target of ZiG127.5 billion. On cash accounting basis, a budget surplus of ZiG3.3 billion was recorded during the first six months of the year.

Table 45: Public Finances: Jan - Jun 2025

	ZiG billion
Total Revenue	101.2
Tax Revenue	97.1
Non-tax Revenue	4.1
Total Expenditure and Net Lending	98.0
Compensation of Employees	45.4
Use of Goods and Services	18.9
Social Benefits	3.1
Subsidies	3.9
Other Expenses	0.5
Interest	2.5
Transfers to Provincial Councils and Local Authorities	0.2
Net Acquisition of Financial and Non-financial Assets	23.6
Budget Balance	3.3

Source: MoFED & IP (2025)

252. In US\$ terms, revenue collections for the same period amounted to approximately US\$3.68 billion, against a target of US\$3.28 billion. On the other hand, expenditures were US\$3.67 billion, against a target of US\$3.54 billion.

Revenue

253. During the period January to June 2025, cumulative revenue collections amounted to ZiG101.2 billion. Tax revenue accounted for 96% of total revenue, whilst non-tax revenue contributed the remaining 4%.

Table 46: Revenue Collections: Jan - Jun 2025

	ZiG billion
Total Revenue	101.2
Tax Revenue	97.1
Non-Tax Revenue	4.1

Source: MoFED & IP (2025)

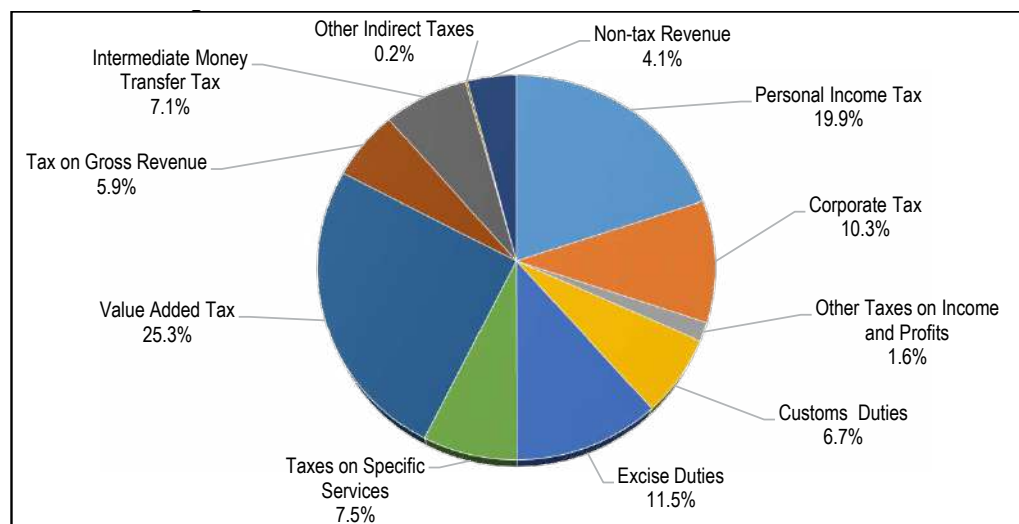
254. The equivalent US\$ revenue collections amounted to US\$3.68 billion against a target of US\$3.28 billion, resulting in a positive variance of US\$405.2 million or 12.4%. Tax revenue accounted for US\$3.52 billion or 96% of total revenue, against a target of US\$3.13 billion. Non-Tax Revenue, thus, contributed the remaining 4% or US\$161.1 million, against a target of US\$150.4 million.

255. The positive performance during the period under review is mainly attributed to the following:

- Government’s stance on maintaining a limited list of VAT exempt products and zero-rated products, where only VAT zero rating was largely intended to exports of goods and services in line with the destination principle;
- Enhanced tax administration, including strengthening audits on *Deemed Smuggled Goods*; and
- Enhanced tax compliance on 2024 revenue measures such as Beverages Sugar Content Tax, among other factors.

256. The major contributors to revenue collections were Value Added Tax (25.3%), Personal Income Tax (19.9%), Excise Duty (11.5%), Corporate Income Tax (10.3%) and Intermediate Money Transfer Tax (7.1%). The figure below shows the revenue heads’ contribution to Total Revenue:

Figure 36: Revenue Head Contribution to Total Revenue



Source: MoFED & IP (2025)

Outlook

257. Going forward, the 2026 fiscal year presents both opportunities and challenges for Government as we seek to consolidate fiscal sustainability, enhance domestic revenue mobilisation and promote inclusive economic growth.
258. Proposed tax related interventions will be critical in funding key developmental programmes, notably development plans outlined in NDS2, supporting the ZiG currency regime and responding to taxpayers' concerns in an evolving economic landscape.
259. Specific interventions will, therefore, target the following:
- Expanding the tax base to fully incorporate emerging sectors while also implementing measures to support formalisation of economic activities through digital and financial inclusion of SMEs;
 - Tax Administration Reforms focused on digitalisation and data Integration, compliance and strengthened enforcement measures in collaboration with relevant stakeholders and Government agencies; and
 - Legislative and Regulatory reforms in order to reduce the cost of compliance, while also tightening loopholes that have been exploited through tax avoidance practices.

260. Furthermore, in recognition of the concerns raised by taxpayers, business representative organisations such as the Chamber of Mines, Confederation of Zimbabwe Industries and Zimbabwe National Chamber of Commerce, Government will continue to review the existing tax system with a view to reducing reported and observed distortions, grant the necessary supportive regime for business growth and competitiveness within and on the regional and international market, investment and compliance to tax legislation critical for a sustainable domestic resource mobilisation framework.
261. This process will benefit from ongoing consultations across the country with individuals and representatives of business and consumers.
262. For the medium term, Government is pursuing a Medium-Term Revenue Strategy that clearly defines the growth trajectory for the revenue to GDP ratio, and specific strategies to achieve the desired outcome. The objective is to secure domestic resources that are generated in a socially and economically sustainable manner and are also capable of supporting and sustaining the country's development aspirations. Within this context, the goal is to attain a revenue target within the median band of between 22% and 25% of GDP for middle income countries by 2030.

Expenditures

263. The 2025 budget framework provides for overall expenditures of ZiG276.4 billion, broken down as recurrent expenditures ZiG234.8 billion and acquisition of financial and non-financial assets (capital expenditure and Intergovernmental fiscal transfers) ZiG41.5 billion.
264. Fiscal outlays for the period January to June 2025 amounted to ZiG98 billion, which is approximately 35.5% of the approved Budget. Recurrent expenditures were ZiG74.4 billion, while financial and non-financial assets (capital expenditure and net lending) amounted to ZiG23.6 billion.

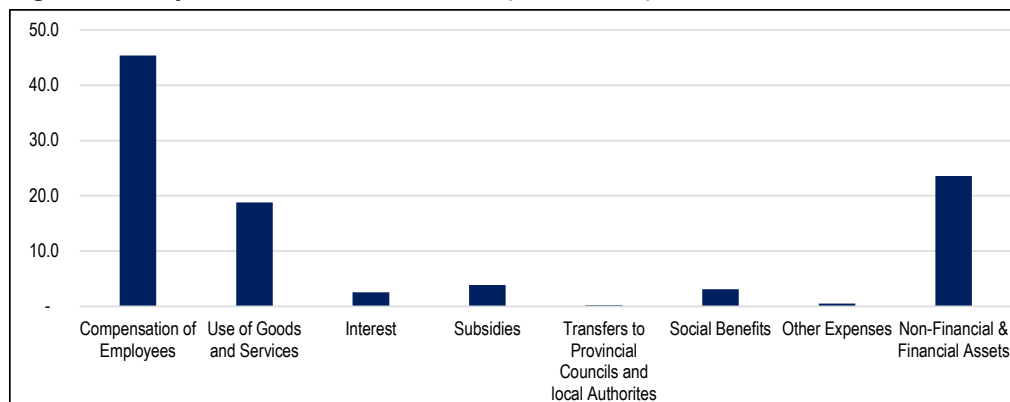
Table 47: Budget Performance: Jan to Jun 2025 (ZiG Billions)

	Outturn
Total Expenditures & Net Lending	98.0
Compensation of Employees	45.4
Use of Goods and Services	18.8
Social Benefits	3.1
Subsidies	3.9
Interest	2.5
Other Expenses	0.5
Transfers to Provincial Councils and Local Authorities	0.2
Net Acquisition of Financial and Non-financial Assets	23.6

Source: MoFED & IP (2025)

265. Of this amount, ZiG45.4 billion went towards employment costs and operations ZiG18.8 billion, interest payments at ZiG2.5 billion and capital expenditure including devolution amounted to ZiG23.6 billion.

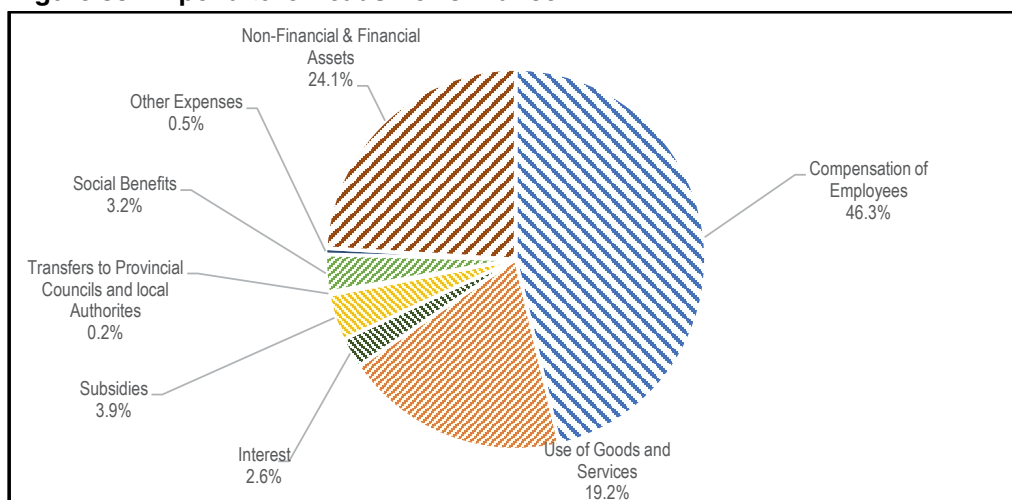
Figure 37: Expenditures: Jan-Jun 2025 (ZiG Billion)



Source: MoFED&IP (2025)

266. Interest on debt servicing during the first six months of the year amounted to ZiG2.5 billion, of which ZiG1.2 billion was paid on external debt, while ZiG1.3 billion was channelled towards domestic debt payment.
267. The bulk of the resources went towards compensation of employees constituting 46.3% of total expenditures, while capital expenditure accounted for 24.1%, Government operations, 19.2% and the remainder went towards social benefits, interests, subsidies and devolution.

Figure 38: Expenditure Heads Performance



Source: MoFED & IP (2025)

268. In terms of budget utilisation up to June 2025, 35% of the approved budget has been spent, which is below the target. The remaining balance of the budget is, therefore, adequate to cater for Government operations to year end in the absence of any significant shocks. Below is the budget utilisation by MDAs¹.

Table 48: Expenditure by MDAs: Jan – Jun 2025 (ZiG Millions)

Ministries / Departments / Agencies	Budget ZiG(Mil- lions)	Expenditure ZiG(Million)	Performance
Office of the President and Cabinet	10,568	8,524	81%
Parliament of Zimbabwe	2,753	837	30%
Public Service, Labour and Social Welfare	11,710	2,789	24%
Defence	18,052	6,020	33%
Finance, Economic Development and Investment Promotion	28,710	11,193	39%
Audit Office	739	73	10%
Industry and Commerce	551	82	15%

Lands, Agriculture, Fisheries, Water and Rural Development	22,935	10,178	44%
Mines & Mining Development	765	194	25%
Environment, Climate and Wildlife	517	222	43%
Transport and Infrastructural Development	5,444	6,305	116%
Foreign Affairs and International Trade	3,990	563	14%
Local Government and Public Works	4,908	1,151	23%
Health and Child Care	27,827	6,980	25%
Primary and Secondary Education	42,517	13,133	31%
Higher & Tertiary Education, Science and Technology Development	9,865	3,056	31%
Women Affairs, Community, Small and Medium Enterprises Development	1,057	324	31%
Home Affairs and Cultural Heritage	15,757	5,460	35%
Justice, Legal and Parliamentary Affairs	5,745	1,952	34%
Information, Publicity and Broadcasting Services	533	203	38%
Youth Empowerment, Development and Vocational Training	1,091	307	28%
Energy and Power Development	410	132	32%
Information Communication Technology and Courier Services	741	116	16%
National Housing and Social Amenities	766	489	64%
Veterans of the Liberations Struggle Affairs	807	146	18%
Tourism and Hospitality Industry	325	76	23%
Sports, Recreation, Arts and Culture	908	168	18%
Skills, Audit and Development	253	36	14%
Judicial Services Commission	1,285	467	36%
Public Service Commission	5,938	2,067	35%
National Council of Chiefs	196	29	15%
Human Rights Commission	176	48	27%
National Prosecuting Authority	460	144	31%
Zimbabwe Anti-Corruption Commission	236	73	31%
Zimbabwe Electoral Commission	467	125	27%
Zimbabwe Gender Commission	177	27	15%
Zimbabwe Land Commission	194	84	43%
Zimbabwe Media Commission	144	18	12%
Health Service Commission	165	45	28%
Office of the Attorney General	219	76	35%
TOTAL	229,902	83,913	36%

Debt Service: Interest Bill	5,614	2,539	45%
Pension	20,707	9,396	45%
Public Service Pension Scheme	4,786	1,670	35%
Other Constitutional & Statutory Appropriations	15,361	478	3%
Total Expenditure & Net Lending	276,371	97,996	35%
Repayment of Loans	40,017	6,735	17%
Total Expenditure & Net Lending Including Loan Repayments	316,388	104,731	33%

Source: MoFEDIP (2025)

Compensation of Employees

269. The 2025 National Budget provided for ZiG152.6 billion for employment costs, which translates to 56.4% of revenue. Expenditure on compensation of employees for the period January to June 2025 amounted to ZiG45.4 billion, against a target of ZiG68.3 billion.

Table 49: Wages and Salaries

	Actual (ZiG Millions)	Target (ZiG Millions)
Civil Service Wage Bill	30,099.0	42,746.1
PSMAS	158.4	1,124.3
NSSA	484.1	740.0
Public Service Pension Scheme		2,392.8
Funeral Expenses	65.8	27.0
Grant-Aided Institutions	4,892.3	10,337.1
Pension	9,657.6	10,353.7
Benefits in Kind	10.6	580.7
Total	45,367.9	68,301.9

Source: MoFEDIP (2025)

270. The civil service wage bill amounted to ZiG30.1 billion against a target of ZiG42.7 billion during the period January to June 2025. Civil service wages and salaries are on a self-adjusting mechanism, with the local currency component pegged to US\$, adjusting to exchange rate movements in order to cushion the public servants against inflation, therefore, employment costs were lower than anticipated during the first six months of the year.

271. During the first half of the year, Government reviewed specific allowances for civil servants which has the potential to increase the wage bill beyond the target.

Social Services

272. During the first six months of the year, Government spent ZiG26.6 billion towards provision of social services on the following sectors:

- Education ZiG16.1;
- Health ZiG7 billion; and
- Social protection ZiG3.5 billion.

273. In addition, Development Partners disbursed resources amounting to US\$125.3 million towards provision of social services, complementing Government efforts.
274. Service delivery at local level was enhanced during the period under review, on account of improved revenue collections by local authorities. The surge in revenue collections is attributed to implementation of valuation programmes, citizen engagement and capacity building initiatives by the Ministry of Local Government and Public Works, which helped councilors and members of staff to appreciate their roles in revenue collection.
275. In addition, the recent launch of the Minimum Service Delivery Standards Framework by His Excellency, the President of the Republic of Zimbabwe, Cde. E. D. Mnangagwa on the 26th of June, 2025 will also add impetus to revenue generation in order to improve service delivery within local authorities.

Education

276. During the first five months of the year, Government spent ZiG16.1 billion towards supporting interventions in the education sector, specifically the Ministries of Primary and

Secondary Education and Higher and Tertiary Education, Innovation, Science and Technology Development. The bulk of the resources went towards wages and salaries amounting to ZiG14.9 billion (93% of total expenditure), while the remainder went towards operations and infrastructure development.

Primary and Secondary Education

277. Under primary and secondary education, a total of ZiG13.1 billion was spent towards the Ministry of Primary and Secondary Education, of which the bulk went towards recurrent expenditures as follows:

- Compensation of employees ZiG12.1 billion;
- Use of goods and services ZiG0.9 billion; and
- Capital expenditure ZiG39.2 million.

278. This included resources extended towards the Schools Feeding Programme and procurement of sanitary wear. During the second half of the year, Government will accelerate release of financial resources towards BEAM programme with a view to clear arrears.

279. The sector also benefitted from Development Partner assistance amounting to US\$7.2 million during the period under review. The resources were channelled through various implementing agencies including the Global Partnership for Education (GPE), Campaign for Female Education (CAMFED), and the United Nations Children’s Fund (UNICEF), among others. Key projects supported were the Teacher Effectiveness and equitable Access for Children (TEACH), as well as the United Nations Children’s Fund (UNICEF), among others.
280. To enhance construction of schools, Government adopted an innovative financing mechanism by collaborating with institutions such as the Pension Fund, Infrastructure Development Bank of Zimbabwe (IDBZ) and Rural Infrastructure Development Agency (RIDA) to complement Government efforts in the delivery of schools’ infrastructure.
281. In this regard, engagements with the institutions are currently under way to come up with implementation modalities for the 50 pilot schools across the country, which include boarding schools, having been targeted for implementation under Phase 1 of the programme.
282. During the year, Government has made progress on the construction of five new schools namely; E.D. Mnangagwa

Secondary School in Mutoko, Mariga Primary School in Mbire, Twayi-Twayi Primary School in Bulilima, Sonkwa Primary School in Binga and Mapfungautsi Secondary School in Gokwe South.

283. In this regard, ZiG39.2 million was channelled towards the projects during the period under review enabling the construction of classroom blocks, ablution facilities and staff accommodation, which are now at an advanced stage of completion. The outstanding works are earmarked for completion during the last quarter of 2025.



Twayi-Twayi Secondary school

284. In addition, Government with support from UNICEF is implementing the solarisation of schools project which aims to provide reliable and renewable energy to schools. This will significantly improve the quality of education through creating a conducive learning environment. Already, 90 schools have been identified to benefit from the programme set to begin in the third quarter of 2025.

Higher and Tertiary Education

285. In the 2025 National Budget, the Ministry of Higher and Tertiary Education, Innovation, Science and Technology Development was allocated a total of ZiG5.7 billion to improve access to quality, equitable and inclusive education through increasing enrolment of students in higher and tertiary education institutions including students with disabilities. To date, a total of ZiG1.6 billion has been spent on universities and colleges.

286. On infrastructure, an amount of ZiG100.5 million was spent focusing on the completion of on-going works at the University of Zimbabwe, National University of Science and Technology, Midlands State University, Bindura University of Science Education, and Gwanda State University, among others.

287. In this regard, notable progress was made in the construction of a four-storey, three wing Technovation Centre at the National University of Science and Technology which is now at 83% level of completion. The outstanding works includes plumbing, installation of ceilings, electrical installations, ICTS installations, steel staircases, balustrades and canopies.



Technovation Centre at the National University of Science and Technology

288. The construction of the multi-purpose teaching and learning centres at the University of Zimbabwe and Zimbabwe Open University (ZOU) were also supported and currently stands at 55% and 96% level completion, respectively.



ZOU Multipurpose Teaching and learning centre

289. In order to ease accommodation shortages faced by students at institutions of higher learning, Government has resumed works on stalled projects at the Bindura University of Science Education Male Halls of Residence and Midlands State University Female Hostel, as well as construction of a hall of residence at the recently established Manicaland State University of Applied Science.
290. The Midlands State University female hostel superstructure has been completed now awaiting roofing. The project is currently at 55% level of completion and the remaining works are targeted for completion during the second half of 2025.



Midlands State University Halls of residence

291. The Bindura University of Science Education Male Halls of Residence is currently at 44% level of completion, with construction of superstructure for the first floor having been completed, whilst the Manicaland State University of Applied Science Halls of residence is at 42% level of completion with the superstructure now at deck level.

Research and Innovation

292. In order to drive the innovation and industrialisation agenda, as well as rural development initiatives, Government is working on improving science and technology innovation ecosystems focusing on agro-innovation and eco-tourism industrial park and utilisation of advanced technologies.

293. In this regard, Government has commenced works on the construction and equipping of research, science and technology infrastructure. The following projects are currently underway and are expected to be completed during the second half of 2025:

- Muzarabani Masawu Value Addition Plant, 90% level of completion;
- Great Zimbabwe University Innovation Centre for dry land agriculture administration block, 45% level of completion;
- Gwanda State University Mining Laboratory and Innovation Complex, 98% level of completion;
- Gwanda State University Agro-innovation Complex, 70% level of completion;
- Bingwa Eco-tourism Innovation and Industrial Park, 95% level of completion; and
- Modified Coal Tar Industrial Park at Midlands State University in Zvishavane, now complete with focus on the installation of equipment.



Great Zimbabwe University Chivi Traditional Grains Processing Plant



Completed Superstructure for the Muzarabani Masawu Value Addition Plant



Side View of Gwanda State University Agro-Innovation Centre

Skills Audit

294. Government is actively engaging key stakeholders in critical dialogues aimed at improving skills development across all sectors, with the aim of ensuring that the skills audit and development initiatives are seamlessly integrated into national and provincial plans.

295. Work is underway to implement initiatives to enhance and modernise training institutions, encompassing technical and vocational centers, universities and polytechnics with a view to review and standardize education institutions across all public, private, voluntary, and informal sectors. The assessment of TVET centers for people with disabilities has already been completed.

296. A strong emphasis is being placed on accelerating skills development in Science, Technology, Engineering, and Mathematics (STEM) areas. Government is actively engaged in collaborative initiatives with other relevant Government entities, international and local partners to implement comprehensive digital skills programs designed to empower a substantial number of young people across Zimbabwe with essential digital competencies, including advanced coding skills. Specialized training in critical areas such as cybersecurity is being delivered to participants from various educational institutions.

Health

297. The health sector was supported to tune of ZiG7 billion for the period under review. The resources were disbursed towards the following:

- Compensation of employees.....ZiG5.7 billion;
- Use of goods and services.....ZiG1.1 billion;
*o/w procurement of medical
supplies and services.....ZiG0.6 billion; and*
- Capital expenditureZiG0.2 billion.

298. Government is committed to ensuring universal access to affordable health care, therefore, priority during the second half of the year is on securing continued reliable supply of

essential medicines. To this end, Government has running contracts worth US\$63 million with two major suppliers who are expected to consistently deliver medicines to NatPharm.

299. So far, Government has committed to honour all its contractual obligations which has enabled the suppliers to start delivering the medicines. Going forward, Government will ensure timeous payment of these obligations to guarantee uninterrupted supply of medicines.
300. During the period under review, Development Partners disbursed US\$95.8 million under the health sector. The support was disbursed from vertical funds (multi-donor trust funds) and bilateral sources including the Global Fund, Health Resilience Fund, USAID, PEPFAR and Centre for Diseases Control (CDC), among other sources.
301. The interventions in the sector were mainly towards HIV/AIDS and tuberculosis (TB) prevention and expanding care for vulnerable populations, as well as, enhancing service delivery nationwide. Notable support was also channelled towards digital health, non-communicable diseases, and child immunization programmes, aiming to bolster primary healthcare and promote adolescent engagement and skills development.

302. Following the Executive Order suspending all American foreign aid programmes in January 2025, the USA will continue to support eight (8) health programmes targeting HIV/AIDS and Tuberculosis, while fifteen (15) health programmes were terminated, resulting in an estimated 21% reduction of support to the health sector.
303. On health infrastructure, the thrust is on the rehabilitation and upgrading of infrastructure, procurement of essential medical equipment, including ambulances and utility vehicles, as well as, complementary facilities that include incinerators, mortuaries, laundry and kitchen equipment, and laboratories, among others.
304. In this regard, Budget support during the period under review went towards procurement of medical equipment and ongoing works at health institutions with the following milestones having been achieved:

Table 50: Rehabilitation and Upgrading of Health Institutions

Name of Health Institution	Works Undertaken (January - June 2025)
Parirenyatwa Hospital	Renovation of Annex hospital (ongoing) Renovation of nursing school accommodation block on going
Lupane Hospital	Inside plastering works (ongoing)
Sally Mugabe Hospital	Renovation and construction of incinerators, plumbing works
United Bulawayo Hospital	Construction of water tank
Beatrice Hospital	No works were done
Beitbridge Hospital	Drilling of borehole

Name of Health Institution	Works Undertaken (January - June 2025)
Chitungwiza Hospital	Stalled water tank
Gwanda Hospital	· Renovations of the theatre. the works started in June
Gokwe North	General hospital renovations Construction of a mortuary (near completion) Renovation of nursing school which will open in September · Renovations of three clinics
Masvingo hospital Upgrade	Phase one renovations are now complete, procurement for phase 2 in progress.
Cancer Machines	Procurement of cancer machines now at contracting stages, delivery expected in December.
Theatre renovations	Renovation of 24 theatres and waiting mothers homes complete, this was done in district hospitals.
Manhize Health centre	Site fenced - Borehole drilling complete - Preliminary earthworks completed - Foundations for both the main facility and accommodation units have been completed - Printing of the light steel frames completed, mobilising erection on site.
Binga Hospital	Mortuary repaired and now functional

305. Significant quantities of medical equipment were procured for Parirenyatwa Group of Hospitals, Mpilo Central Hospital, United Bulawayo Hospital, Masvingo Hospital, Chivhu Hospital, Zvishavane Hospital, Murewa Hospital, Gweru Hospital, Maphisa Hospital and Filabusi Hospital. The equipment included the following, among others:

- 60 infant mobile incubators with monitors;
- 5 neonatal resuscitation trollies;
- 7 steriliser steam autoclaves;
- 5 electrosurgical units (diathermy);

- 24 theatre tables; and
- Solar equipment.



St. Lukes Hospital in Lupane



Oxygen plant – Chinhoyi



Renovated training school – Gokwe North Hospital

Cancer Equipment

306. Government introduced a levy of sugar content on beverages meant to discourage consumption of high sugar content beverages in response to the growing concerns on adverse effects of consumption of sugar. Part of the funds are being ring fenced for therapy and procurement of cancer equipment for diagnosis.

307. During the period January 2025 to May 2025, resources amounting to ZiG685.8 million which is equivalent to US\$25.4 million has since been mobilised.

308. The responsible Ministry has already initiated the necessary procurement processes for the equipment with the target to receive delivery before end of the year.

Social Benefits

309. Out of a budget provision of ZiG20.4 billion for supporting vulnerable members of our society with social benefits, cumulative expenditure of ZiG3.5 billion were availed over the period. The breakdown of the social benefits expenditure is as follows:

- Vulnerable Agriculture Input Scheme.. ZiG1.2 billion;
- BEAM ZiG2 billion;
- Food Deficit Mitigation..... ZiG0.2 billion;
- Veterans Affairs fund ZiG0.01 billion; and
- Other ZiG0.1 billion.

310. During the first quarter of 2025, the hunger peak period of 2023/2024 agriculture season, Development Partners provided lean season support to vulnerable populations in various districts, including Zvishavane, Chiredzi, Kariba, Uzumba Maramba Pfungwe, Buhera, Guruve and Gokwe South.

311. Furthermore, Development Partners also provided targeted support to rural households and displaced refugees in Chipinge

Tongogara Camp through food for assets and nutrition programmes to address immediate needs, while building resilient and sustainable community systems.

Vulnerable Agriculture Input Scheme

312. Support towards vulnerable Input Support Programme amounted to ZiG1.2 billion. Through the Programme, Government availed basic farming inputs to 3.5 million vulnerable households. Timeous provision of inputs under the programme together with good rain season contributed to an increase in the food crop production by 290% compared to last season as indicated by the Second Crop and Livestock Assessment Report for 2024/25 period.

Women, Gender Equity and SMEs

313. During the first half of the year, Government supported gender mainstreaming interventions, with the objective of eradicating Gender-Based Violence (GBV). To support this, an amount of ZiG98.3 million was expended during the first half of the year, specifically targeting construction of One Stop Centres, capacitation of the National Handcrafts Centre of Zimbabwe and provision of workspaces for women engaging in various businesses.

314. On One Stop Centres, focus was on the construction of Mpilo One Stop Centre in Matabeleland, which will offer refuge and provide psycho-social support services to victims of GBV.
315. To promote self-reliant and economic independent for rural communities, interventions targeting creation of local and international markets for traditional handcrafts were made through capacitation of the National Handcrafts Centre of Zimbabwe. This enabled the Centre to purchase handcrafts from communities across the country for exportation and exhibition at the currently 2025 Osaka Expo in Japan.
316. To provide workspaces for women engaging in various businesses, works are underway to construct a complex in Bulawayo, earmarked to accommodate women entrepreneurs who are in the textile industry.



Bulawayo Textile Manufacturing Centre under construction

317. The Women Micro Finance Bank also availed loans amounting to ZiG30 million to 400 women engaged in business in various productive initiatives in the economy. The Bank also facilitated training of 153 women who are in business, equipping them with several business essential skills. An amount of ZiG4 million was also channelled towards construction of SMEs work spaces targeting Chikomba Vendor Mart and Mtapa work space, which are nearing completion.
318. Furthermore, the Small and Medium Enterprises Development Corporation (SMEDCO) supported efforts to promote and develop micro, small and medium enterprises through the following:

- Extending financial support to 124 SMEs;
- Creating 469 jobs from on-lending resources;
- Providing workspaces to 56 SMEs; and
- Attaining 20% increase in property construction for leasing to SMEs.

Mbare Market Redevelopment

319. Subsequent to devastating fire that destroyed the original market in October 2024, Government has committed to rebuild and modernise the market.
320. The first phase was completed early this year under Build-Operate and Transfer (BOT) arrangement between the City of Harare and Masimba Holdings. The facility accommodated a total of 1 628 traders who were affected by the inferno. The cost of reconstruction amounted to US\$6 million.
321. The second phase is a multi-storey state-of-the-art facility, with improved sanitation, fire safety and organised trading spaces. This new market is designed to accommodate up to 10 000 traders, significantly increasing the capacity compared to the previous structure. Construction of Phase 2 is envisaged to begin once a temporary trading space (Tsigu grounds) is completed to facilitate decanting of the burnt market.

322. The Mbare Market Redevelopment Model shall be replicated at the Glenview Area 8 Furniture Market and all markets across the country. This redevelopment initiative is part of the broader national strategy to revitalize informal trading spaces in line with Vision 2030 and Sustainable Development Goals (SDGs).

Youth, Sports, Arts and Culture

323. Subsequent to the ban of the National Sports Stadium from hosting international matches by the Confederation of African Football (CAF) for failing to meet the required international standards, owing to several infrastructure issues, Government embarked on the refurbishment of the stadium with the following notable achievements having been realised:

- Installation of bucket seats, now at 90% level of completion;
- Reconstruction works on turf is underway with old turf dug out in preparation of laying a new turf. Works are currently at 40% level of completion;
- Completion of the installation of turnstiles at gate 1 entrance;
- Completion of the cabling and tubing for the venue operating systems; and
- The restoration of the water reticulation system is in progress.



Installed Bucket Seats



Bucket Seats Installation and Field Works

324. In addition, an amount of ZiG80.5 million was availed towards capitalisation of the Youth Empower Bank benefiting 125 youths through loan disbursements during the period under review.

Veterans of the Liberation Struggle

325. In line with the Second Republic's vision of inclusive economic participation and empowerment of Veterans of the Liberation Struggle, Government operationalised the Veterans Investment Corporation while a livestock pass-on scheme was successfully launched within the veterans' community to enhance agricultural productivity and household resilience. Plans to operationalise mining projects are at an advanced stage.
326. Training programmes were also conducted in various lifelong skills and economic initiatives to capacitate and empower the Veterans Community. In addition, residential housing stands were allocated to eligible members of the Veterans Community as part of the broader housing delivery programme in line with Vision 2030.
327. The projects are meant to empower beneficiaries through facilitation of certification and formalisation processes to strengthen self-sufficiency.
328. During the first half of the year, Government managed to process approximately 48% of entitled benefits of Veterans of the Liberation Struggle and their dependents, including War Victims and Heroes' families. These included education

support, medical services and funeral assistance. The target is to clear all outstanding welfare-related obligations, including medical, educational and funeral expenses. Government also targets to complete the ongoing vetting exercise for previously unvetted Veterans which will expand access to statutory benefits for eligible Veterans in accordance with the Constitution.

329. In addition, Government initiated the memorialisation and documentation of the Liberation Struggle. This included field visits to Mashonaland Central to engage directly with Veterans and record first-hand accounts of key battles. These efforts are instrumental in enriching national archives and ensuring that even lesser-known narratives are captured and preserved for posterity.

Infrastructure, ICT and Digital Economy

330. The 2025 Infrastructure Investment Programme sets out Government's commitment towards closing the infrastructure gap in support of long-term economic growth and development, without putting pressure on the stability of the domestic currency.
331. To this end, Budget implementation during the first half of 2025 focused on projects that maximise synergies between

different sectors of the economy, thereby positively impacting on productivity, whilst building resilience and allowing the country to be able to seize opportunities and innovate in a rapidly evolving global landscape.

332. Given the current pressing national infrastructure needs, as well as increased funding requirements to close the infrastructure gap in the country, Government's efforts were directed at mobilising potential resources from various sources including external loans, statutory funds, development partner support, and parastatals, with the objective of augmenting the limited Budget resources.
333. To this end, the 2025 National Budget has a provision of ZiG59.4 billion towards infrastructure development financed through the fiscus (ZiG28.6 billion), statutory funds (ZiG27.8 billion), development partner support (ZiG1.2 billion), as well as loans amounting to ZiG1.8 billion.
334. Cumulative expenditures to June 2025, amounted to ZiG15.7 billion targeting projects in the energy, transport, water and sanitation, housing, health, education, and agriculture sectors, as well as devolution, broken down as fiscus (ZiG15 billion), statutory (ZiG610.9 million), and development partner support (ZiG56.8 million).

Table 51: Infrastructure Expenditure Mix (ZiG)

Sector	Fiscal	Statutory	Development Partner Support	Total
Energy		216,299,265		216,299,265
Transport	7,593,807,441	340,300,000		7,934,107,441
ICT	436,936,087	54,300,000		491,236,087
Water and Sanitation	3,940,184,534		31,205,984	3,971,390,518
Housing and Social Amenities	746,708,949			746,708,949
Health	169,200,076			169,200,076
Education	139,632,806			139,632,806
Agriculture	1,766,944,560		25,584,608	1,792,529,168
Devolution	242,581,019			242,581,019
Total	15,035,995,472	610,899,565	56,790,592	15,703,685,629

335. In order to ensure efficiency and effectiveness in the provision of services across Government, the Budget also has a provision for ZiG7.1 billion for capacitation of Ministries, Departments and Agencies (MDAs) through procurement of vehicles, furniture and equipment. In this regard, an amount of ZiG2.1 billion was utilised during the period under review.

Transport

336. Government has remained alive to the need for a well maintained and efficient transport network, which is a catalyst for economic growth and development through connecting people, as well as businesses with markets whilst facilitating domestic, regional and international trade.

337. To this end, a cumulative amount of ZiG7.9 billion was spent on the transport sector, mainly towards the Road Development Programme.

Road Projects

338. The strategic choice to consistently support the rehabilitation and upgrading of roads is having a positive impact to the road users and to the economy at large.

339. During the period under review, priority was accorded to the completion of the new, modern multi-level Trabablas Interchange, which was commissioned by His Excellency, the President, Dr. E. D. Mnangagwa on 30 May 2025.

340. The completion of the project is critical in alleviating severe traffic congestion and high accident rates which were experienced at the then Mbudzi Roundabout, which was overwhelmed by increased vehicle numbers, thereby causing delays, and safety issues.

341. In addition, the completion of the project is enhancing the movement of people and goods along the key regional trade corridor.



Commissioned Trabablas Interchange



Commissioned Trabablas Interchange

342. This year, the Road Development Programme is targeting completing the outstanding 88km of the Harare – Masvingo

- Beitbridge highway, including the Ngundu – Rutenga and Masvingo – Chivi sections, which have become a cause for concern.



Ongoing Harare – Beitbridge Road Rehabilitation – Houghton Park Section



Processing of G1 (Base Material)-16kms from Masvingo Urban towards Beitbridge and Surfacing from Chinzou Traffic Circle to Willowvale Junction (North Bound lanes).



Stabilization of subbase on the Harare-Masvingo-Beitbridge Road - Mwenezi District Section

343. Government noted the urgent need for an immediate rehabilitation and upgrading of the Bulawayo – Victoria Falls Road, critical for ensuring trafficability of the road which connects Zimbabwe with neighbouring countries, and is a strategic access point to the Hwange National Park and Victoria Falls, which are some of the country’s major tourist destinations.
344. In this regard, contractors have already mobilised to site and are currently carrying out preliminary works on multi-segments of the highway, including land clearance to create detours.



Bush clearing on detour construction (Insiza and Cross Jotsholo) for the Rehabilitation of Bulawayo Victoria Falls Road

345. Progress was also realised on the Emergency Road Rehabilitation Programme II (ERRPII), wherein ZiG4.2 billion was expended of which ZiG3.9 billion was financed from the Budget, while ZiG340.3 million was disbursed by ZINARA.

Table 52: ZINARA Disbursements

Road Authority	Amount (ZiGm)
Department of Roads	91.3
Rural Infrastructure Development Agency (RIDA)	26.7
Rural District Councils	100.4
Urban Councils	121.9
Total	340.3

346. The support resulted in the following notable achievements:

Table 53: Emergency Roads Rehabilitation Programme

Nature of Works	Planned For 2025	Current Progress
Construction, Reconstruction and Rehabilitation (km)	120	86.85
Reseal and Overlay (km)	18.5	8.40

Nature of Works	Planned For 2025	Current Progress
Gravelling and Regravelling (km)	120	218.14
Grading and Spot-gravelling / Spot-dumping (km)	-	229.60
Drainage Structure Construction and Maintenance (No.)	1 400	1 175.50
Pothole Patching (km)	6 000	5 191.50
Bush and Verge Clearing (km)	2 000	2 545.95
Drain Construction / Lining and Drain Clearing (km)	3 000	2 283.34

347. Some of the specific projects which were supported under the Programme, as well as the milestones achieved are provided in the table below.

Table 54: Milestones on Priority Projects

Project Name	Province	District	Milestones Achieved
Chipinge-Mt Selinda Road	Manicaland	Chipinge	10 km completed
Murehwa-Madecheche Road	Mashonaland East	Murewa	8.8 km clearing completed
Golden Valley-Sanyati Road	Mashonaland West	Sanyati	7 km completed
Bulawayo – Nkayi Road	Matabeleland North	Various	6.3 km is primed.
Domboshava Road	Mashonaland East	Domboshava	7.2 km completed
Nyanga-Ruwangwe Road	Manicaland	Nyanga	5 km completed
Kadoma-Chakari Road	Mashonaland West	Sanyati	2.2 km asphalt overlay
Kwekwe-Gokwe Road	Midlands	Kwekwe	40 km overlay asphalt.
Kuwirirana-Nembudziya Road	Midlands	Gokwe	7 km overlay asphalt and 20 km Regravelling completed)



Domboshava and Golden Valley Sanyati Road Projects



Murambinda – Birchenough Road Project



Bulawayo – Nkayi Road Project

Rural Feeder Roads

348. The Rural Infrastructure Development Agency (RIDA) is very instrumental in the construction and maintenance of feeder roads in rural areas, critical for enabling access to service centres and the Rural Industrialisation Agenda.
349. In this regard, Government capacitated RIDA with a US\$75 million loan facility mainly for procurement of road equipment, among other interventions, with some of the equipment having been delivered already.

350. The support is important in capacitating RIDA to undertake aggressive rehabilitation and upgrading of the rural road infrastructure, including opening up new arteries in underserved areas and other centres of economic activity.
351. In addition, an amount of ZiG1.8 billion was disbursed from the Budget for operational support to RIDA, and complemented by ZiG26.7 million from the Road Fund, enabling the following milestones:

Table 55: Infrastructure Projects undertaken by RIDA

NATURE OF WORKS	PLANNED DURING FIRST HALF OF 2025	PROGRESS
Reconstruction / Rehabilitation (km)	20	10
Reseal and Overlay (km)	8	At Procurement Stage
Grading (km)	12 000	8 453
Gravelling, Regravelling and Spot Dumping (km)	60	35
Drainage Structures Construction and Maintenance (No)	1 000	439
Pothole Patching (km)	600	1 547
Verge Clearing (km)	1 000	1 891
Drain Construction / Clearing (km)	12 000	1 979

352. Specific feeder roads which were supported during the period under review and the achievements made are also provided in the table below.

Table 56: Feeder Roads

Province	District	Project Name	Progress
Manicaland	Buhera	Chadzire Bridge	Construction of Pier "A" and top slab casting
	Chipinge	Samhutsa - Ngaone Road	2.6km on regravelling
Mash. East	Mudzi	Kambanje Bridge	Construction of Approach "A" and "B"

Province	District	Project Name	Progress
Masvingo	Mwenezi	Makugwe Bridge	Construction of Approach "A" and "B" and Piers
	Masvingo	Imara road surfacing	5km road surfaced tacked and sealed
Mash. Central	Mazowe	Rosa - Kakora - Belrock road surfacing	5km road surfaced asphalt overlay and addition 4km primed
Midlands	Gokwe South	Pohwe Bridge	Construction of approach "A" 30m wall
	Mberengwa	Mabori Bridge	Construction of side wall for 1 opening and backfilling

353. The 2025 Budget will continue to provide resources towards rehabilitation and gravelling of gravel roads across the country to enhance connectivity between communities and access to markets.

Water and Sanitation

354. Interventions in water provision are guided by the Integrated Approach to Water Development and the 6.0 Infrastructure Development Model, which seeks to upscale water harvesting programmes and ensure that citizens derive immediate benefits through the productive use of such investments.

355. Government through the Water, Sanitation and Hygiene (WASH) National Action Committee, has continued to coordinate the sector through a *"Whole of Government Approach"*, and a *"Whole-of-Society Approach"* to joint sector programming, critical for ensuring alignment of national priorities, harmonisation of implementation approaches and fostering joint mutual accountabilities.

356. During the period under review, an amount of ZiG3.9 billion was spent towards the sector mainly targeting dam construction and borehole drilling in rural areas, including establishment of village business units. On dam construction, priority is completing the construction of the Kunzvi and Gwayi-Shangani dams.
357. In addition, the WASH sector received US\$4.3 million from Development Partners to assist the country in achieving sustainable and climate resilient. Under the Rural WASH programme, Development Partners intervened through drilling of boreholes throughout the country complementing the Government's Rural Development 8.0 initiative implemented under the Presidential Borehole Programme.

Kunzvi Dam

358. The Kunzvi dam project is now at 60% level of completion and the following works were undertaken during the period under review:
- Excavation of the main dam, 91% complete;
 - Embankment placing main dam, 40% complete; and
 - Concrete works, 25% complete.



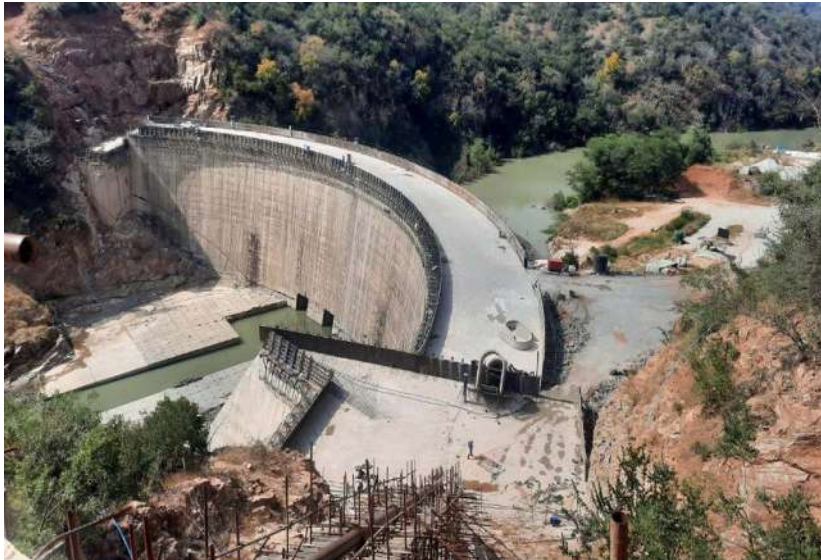
Construction of Kunzvi dam project

359. Remaining works on the dam project include excavation of the main dam (9%), embankment placing main dam (60%), concrete works (75%), Nora weir (100%) and the construction of the Juru – Kunzvi road.

Gwayi-Shangani Dam

360. The Gwayi-Shangani Dam is now at 70.8% level of completion with the support extended towards the project having resulted in the following achievements:
- Placing of 137,531m³ of concrete on the dam wall out of the estimated 274,350m³;
 - Construction of the dam wall to the height of 39m out of the expected height of 72m; and
 - Concrete placement for the generator house foundations

and installation of the mini-hydro penstock, with overall progress on the 10MW mini-hydro power plant now at 44% level of completion.



Construction of Gwayi-Shangani dam



Reinforcement installation for 10MW Hydro powerplant foundation baseplates

361. Government remains committed to supporting the completion of Kunzvi and Gwayi-Shangani dam projects in order to alleviate the water supply challenges affecting the cities of Harare and Bulawayo, including surrounding areas.

Presidential Rural Development Programme

362. The Presidential Rural Development Programme is an integral and necessary intervention towards advancing the Government's Rural Industrialisation Agenda, which aims to stimulate economic growth and development whilst improving livelihoods in rural communities across the country.

363. In this regard, support towards the Programme during the period under review, targeted drilling and installation of solarised boreholes, water supply, and establishment of village business units. To date, the following milestones have been achieved countrywide under the Programme:

- 296 boreholes drilled;
- 362 boreholes installed;
- 28 water supply established;
- 182 Village Business Units established; and
- Establishment of 152 Village Business Units currently in progress.

364. The interventions have transformed the livelihoods of rural communities, particularly the previously marginalised

communities, with many families having benefited through employment creation, improved food security, income generation and improved access to portable water.



Nyamuroro Secondary (Gokwe North) VBU



Matikiti (Gokwe South) VBU



Energy

365. The country continues to face electricity supply shortages, emanating from aging infrastructure, low generation capacity, and reliance on hydroelectric power supply, which is vulnerable to weather variability such as droughts, which affect water levels and impact hydropower generation.

366. This notwithstanding, the successful completion of the Hwange Thermal Power Station Units 7 & 8 Expansion Project and the upgrading of Hwange 1 to 6 power stations have gone a long way in ameliorating the current power supply situation in the country.
367. Hwange Unit 7 and 8 achieved their individual full capacity of 335MW in March 2025, resulting in improved access to electricity in the country.



Hwange 7 and 8, Power Plant

368. In addition, the expansion of the country's captive power capacity, especially from renewable energy sources such as solar power by companies and households estimated at a minimum of 86MW, has significantly reduced demand on the national grid. The increased adoption of the solar energy supports the country's environmental goals by reducing

greenhouse gasses emissions and promoting sustainable development.

369. Excess energy from captive power producers is being fed back into the national grid through a grid-tied converter under the Net Metering Programme.
370. Meanwhile, Government has continued to support programmes that enhance access to electricity through the expansion of the national electricity distribution system to the under serviced and marginalised communities, particularly in rural settlements through the Rural Electrification Agency (REA).
371. In this regard, an amount of ZiG216.3 million was disbursed through the Rural Electrification Fund enabling completion of 114 energised projects in primary and secondary schools, rural health centres, Government extension offices, business centres, and villages, among others, as indicated in the table below.

Table 57: Completed Energy Projects

Province	Primary Schools	Secondary Schools	Rural Health Centres	Government Extension Offices	Chief	Bus. Centre	Farm	Villages	Other	Total
Manicaland	5	3	0	0	0	5	0	0	0	13
Mash Central	2	7	2	0	0	5	0	0	0	16
Mash East	3	3	1	0	0	2	1	0	0	10
Mash West	4	0	0	1	0	1	0	1	0	7
Masvingo	0	1	2	2	1	1	0	0	2	9
Mat North	4	1	2	2	0	4	1	0	0	14
Mat South	3	1	0	0	1	3	0	1	1	10
Midlands	9	3	4	4	1	10	0	0	4	35
Total	30	19	11	9	3	31	2	2	7	114

372. This is against Fund`s target of energising 642 institutions across the country funded through the Fund`s own resources, national budget and Avic facility for the year 2025.
373. The intervention is critical for enhancing economic development through provision of energy access to all, as well as promoting the use of environmentally friendly renewable energy sources.



Bwoni Rural Health Centre Electrified



Mwaruta Primary School Electrified



Mwaruta Primary School Electrified

Energy Compact

374. Zimbabwe has developed an Energy Compact as part of the broader Mission 300 initiative, an African Union-led effort to provide electricity access to 300 million people across Africa by 2030. The Compact reflects Zimbabwe's national commitment under the programme and aligns with the goals set by the African Development Bank, the World Bank and other partners driving Mission 300. Through this framework, Zimbabwe aims to ensure all citizens have access to reliable, affordable, and sustainable energy by 2030.
375. Despite its rich renewable energy potential, Zimbabwe faces significant energy challenges, with over a third of the

population lacking electricity and many households relying on traditional biomass for cooking disproportionately affecting rural communities, women, and youth.

376. Government recognises that expanding modern energy services is vital for industrial growth, health, education, gender equality, and overall development. To achieve its goals, Zimbabwe plans to provide universal household electricity access through a mix of grid, mini-grid, and solar solutions; increase clean cooking adoption from 39% to 70%; and boost renewable energy share in the power mix from 8% to nearly 30%.
377. To achieve this, Government aims to mobilise over US\$9 billion investments in the energy sector, with substantial private sector participation. The Compact emphasises the importance of policy coherence, innovative financing, capacity development and transparent monitoring. It was developed through broad stakeholder consultations and is supported by national strategies and plans.
378. This initiative seeks to transform Zimbabwe into a regional energy hub, improve the quality of life for its people, and foster a resilient, inclusive, and low-carbon energy future.

Information Communication and Technology (ICT) and Digital Economy

379. Government's focus on Information and Communication Technologies (ICTs) is to accelerate the digital transformation through investments in digital infrastructure so as to drive the country's economic competitiveness agenda.
380. In this regard, ZiG436.9 million and ZiG54.3 million were spent from the Budget and the Universal Services Fund, respectively, towards digital infrastructure for various projects during the first half of the year.

Smart Government Private Cloud

381. Government has made considerable progress in consolidating and modernising Government ICT systems through the establishment of a secure Smart Government Private Cloud. The initiative is central to the digital economy agenda, aimed at enhancing service delivery, data security, and operational efficiency across Government.
382. In support of the initiative, Government has, through the Private Government Wide Area Network (GWAN), expanded its digital footprint by integrating all MDAs into the Public Finance Management Network, which now connects provincial capitals, district offices, and hospitals through PFMS kiosks.

383. During the period under review, the network was further expanded to include audit units, HR Departments, and other functional arms of Government.
384. In addition, using Low Earth Orbit satellite broadband, the Ministry of Information Communication Technology, Postal and Courier Services successfully connected 30 health facilities in Gokwe North, which were showcased during the 45th Independence Celebrations.
385. Upgrading of the National Data Centre to Tier IV standards is also underway targeting 99.99% uptime for Government digital systems. During the first half, major investments undertaken on the National Data Centre include installation of a smart air-conditioning system and AI-powered disaster recovery infrastructure, which includes servers, routers and storage, among others.
386. The Data Centre currently hosts over 130 Government e-services and more than 30 backend systems, providing the backbone for digital transformation of public services.

Advancing Smart Health Systems

387. As part of the Digital Economy Pillar, Government is implementing Smart Health through a fully developed

Telemedicine System hosted in the National Data Centre. Integration of the system with the Impilo Electronic Health Records System, built to provide modern healthcare solutions to Zimbabwe, is currently in progress.

388. In addition, during the period under review, broadband connectivity was extended to 30 health centres in remote areas, enabling digital consultations and improved medical access. The foregoing marks a major milestone in the digitisation of healthcare delivery.

The Presidential Internet Scheme

389. To ensure inclusive digital participation, Government is accelerating the Presidential Internet Scheme focused on connecting digitally marginalised areas through Low Orbit satellite broadband.
390. In this regard, over 60 Government institutions, including schools, clinics and police stations were connected during the period under review, with more institutions earmarked for connection during the second half of 2025.
391. Overall, the Programme is targeting connection of over 2 000 remote Government sites, thereby enabling access to

e-Government services across all sectors, particularly in health, education and security.

Development of National Technology Park

392. In pursuit of a digitally driven economy, Government in collaboration with Sunway City is establishing a National ICT Technology Park which will serve as a centre for innovation, incubation and research in emerging technologies such as AI, IoT, Blockchain and Robotics.
393. Land for the project has already been secured, while a Memorandum of Understanding and Non-Disclosure Agreement are now in place, positioning the park to become a major engine of digital industrial growth.

Smart Education Programme

394. Government launched the Smart Education Programme, which is the country's flagship initiative to digitally transform the education sector in line with 21st century learning. Central to this programme is the ICT Lab per School project, which seeks to integrate information and communication technologies into teaching and learning environments nationwide with the following key objectives:

- Enhancing access to computers and e-learning tools;
 - Building ICT literacy among students;
 - Training teachers in digital pedagogy; and
 - Bridging the rural-urban digital education divide.
395. During the period January to June 2025, six schools were fully equipped with digital labs.
396. The initiative supports the broader goals of inclusive digital transformation and the development of a skilled future ready workforce.

Universal Services Fund

397. The Universal Services Fund channelled an amount of ZiG54.3 million towards the E-Learning Programme, USF Shared Sites Programme, E-Government Programme and establishments, as well as refurbishment of Community Information Centres (CICs).
398. Of this, ZiG34.7 million went towards the E-Learning Programme enabling the establishment of 90 computer laboratories in different educational institutions across the country.
399. The Tower Relocation Programme which aims to extend telecommunication services to underserved and unserved

areas in the country by deploying passive infrastructure and microwave backhaul systems at strategic sites was supported with an amount of ZiG13.5 million. This enabled relocation of towers to 8 sites across various provinces managed by Econet and NetOne. In addition, significant progress was recorded in the construction of base stations in Trelawney, Makaha, Mukumbura, and Ngwana Range, which were completed during the period under review.

400. The E-Government Programme which aims to enhance service delivery by equipping Government Ministries, Departments, and Agencies with ICT gadgets to support the digitalisation of their operations was supported to the tune of ZiG1.1 million. This capacitated a total of 47 MDAs against a target of 50 MDAs. Currently, the Universal Services Fund is assessing 46 District Offices under the Ministry of Women's Affairs, Gender and Community Development for potential inclusion into the programme during the second half of 2025.
401. The remainder of ZiG5 million was channelled towards establishment and refurbishment of Community Information Centres (CICs), which aims to extend ICT access to marginalised communities, particularly in areas lacking essential ICT infrastructure and where services are either unavailable or unaffordable, thereby bridging the digital divide.

In this regard, 3 CICs, all in villages, were refurbished whilst 6 Digital Centres were completed.

Information, Publicity and Broadcasting

402. During the first half of the year, His Excellency, E. D. Mnangagwa, launched the Media Policy which is designed to promote media excellency, diversity and national development.
403. Meanwhile, to enhance access to information and citizen's participation in national governance and promotion of real time dissemination, Government is implementing Zim Digital Phase 2. The Programme is aimed at enhancing broadcasting signal through installation of transmitters across the country. In this regard, Government is procuring additional transmitters. In addition, Lyeja Community Radio Station was operationalised in Hwange in February 2025.
404. Furthermore, Government is in the process of refurbishing studios with the objective of modernising existing broadcasting infrastructure. So far, upgrades were initiated on the following studios:
- Montrose TV Studio 1;
 - Four language-based radio studios at Montrose;
 - Central Radio Studio in Gweru; and
 - Mbare Studio.

Housing Delivery

405. Under the housing sector, Government's thrust is to ensure citizens' access to affordable and quality settlements both in urban and rural areas. Given the huge housing backlog, particularly in urban areas, collaboration between Government and the private sector is vital.
406. On its part, Government spent ZiG746.7 million towards housing delivery during the period under review towards the following interventions:

Courts

407. Government is constructing and establishing new court facilities across the country as part of the broader effort to decentralise judicial services and make them more accessible to citizens.
408. In this regard, Government successfully completed and commissioned Mutawatawa Magistrates court in Uzumba-Maramba-Pfungwe during the period under review. The court adds up to other court facilities which have been completed and commissioned, including Chinhoyi High court and Magistrates court, Epworth Magistrates court and Chiredzi Magistrates court, all aimed at enhancing the efficiency and effectiveness

of the justice delivery system at the same time fostering greater public trust and confidence in the rule of law.



Completed Mutawatawa Magistrate court

409. During the first half of the year, ZiG40.2 million was availed towards the construction of Mutawatawa Magistrates court, Gwanda, Kwekwe, Cowdray Park and Mabvuku Tafara Magistrate courts. Gwanda and Kwekwe Magistrates courts are at completion level of 66% and 65%, respectively.



Gwanda and Kwekwe Magistrate courts

Prisons

410. Government is implementing a targeted quick win approach in order to improve the welfare of inmates and service delivery through rehabilitation, upgrading and construction of prison infrastructure. Priority has been on construction of staff accommodation as well as renovation of inmates' facilities starting with Chikurubi Maximum Prison, with a view to cascade the intervention to all other prisons institutions.
411. During the first half of the year, a total of ZiG21.8 million was disbursed towards on-going construction works for several housing units ranging from 2 roomed low-cost houses to 15F houses which are at different stages of completion.

Institutional Accommodation

412. Government has continued to undertake various initiatives to improve the working and living conditions of civil servants as part of a broader strategy to enhance public sector welfare and retain skilled personnel.
413. In this regard, an amount of ZiG698.8 million was channelled towards ongoing works at various Government Composite Offices and institutional buildings aimed at ensuring public servants have decent working and living spaces.

414. Part of the resources were targeting ongoing works on the construction of Siakobvu composite offices and completion of ancillary works at Lupane composite office block, as well as Marondera Dombotombo and Beitbridge residential flats, which are at 90% and 96% level of completion, respectively.



Dombotombo flats



Dombotombo Flats Kitchen Fittings



Beitbridge Duplex Flats

415. In order to alleviate the plight currently faced by waiting mothers in Mutawatawa, work is underway towards the completion of a Mutawatawa waiting mother's shelter.



Mutawatawa Waiting Mother's Shelter

416. As part of the strategy to enhance the living conditions and operational efficiency of officers within the Zimbabwe Republic Police, Government completed the construction of Chimoio flats at Tomlinson Depot in Harare consisting of 96 housing units.
417. The flats were commissioned by His Excellency, the President, Dr. E.D. Mnangagwa on 13 June 2025 and will be allocated to junior officers ranging from constable to inspector rank.



Chimoio flats interior

418. Government has also made strides in the servicing of 1 417 residential stands in Kasese, Kariba. The servicing includes construction of roads, sewer and water reticulation, sewer ponds upgrading and water augmentation. This is meant to provide offsite and onsite infrastructure before commencement of any construction works.

Chanceries

419. To revamp the country`s image globally, Government supported the uplifting of Zimbabwe`s diplomatic missions focusing on refurbishment, renovation and construction works as follows:

- **Construction of Diplomatic properties in Abuja, Nigeria**
- Significant progress has been made on the construction project in Abuja, Nigeria, where the development of the Chancery, staff apartments and the Ambassador`s residence has reached 75% level of completion.
- **Refurbishment of Diplomatic properties in Berlin and London** - Refurbishment works are also ongoing at Zimbabwe`s diplomatic missions in Berlin and London. These renovations, now at 55%, will restore functionality and improve the working environment.
- **Renovations at Zim Pretoria** – Government successfully renovated staff accommodation in Pretoria, the Chancery at Zim-Pretoria and the Ambassador`s residence.

Interventions from the Private Sector

420. The private sector has continued to play a critical role in housing delivery, complementing Government efforts in reducing the current housing backlog. In this regard, in March 2025, Government, through the Ministry of National Housing and Social Amenities, signed a Memorandum of Agreement with a consortium of 10 partners drawn from local government, financial services and developers' community, for the implementation of the Makonde Heights housing project in Chinhoyi.
421. The project, with an estimated cost of US\$5.2 million, aims to provide offsite infrastructure through the provision of essential sewer and water infrastructure to Batanai Corridor, an initiative which is set to benefit 8 000 households.
422. Government is also working on a private sector funding model where the National Social Security Authority (NSSA) advance funding for implementation of housing projects and recoup its investment from interested construction companies.
423. Major progress has also been achieved at the Hills Luxury Estate following the ground breaking which was done by His Excellency, the President. Dr. E. D. Mnangagwa in August

2024. In this regard, Phase 1 of the project is underway with road construction and storm water drains currently at over 80% and 60%, respectively. Development of 7 golf course fairways is also underway. The project is expected to deliver over 800 residential units.

424. Remarkable progress has also been recorded on the Dabuka Village Project in Goromonzi District, Mashonaland East, which is being implemented through the collaboration of Government and the private sector. The project, which is being implemented as a gated community will consist of 34 blocks of flats each comprising four units along with 250 medium-density standalone homes. The project is designed to offer residents a secure and exclusive living environment, with a commercial centre earmarked to provide a variety of services.

Environment

425. During the first half of the year, Zimbabwe hosted a regional SADC Trans-frontier Conservation Areas (TFCAs) Conference and Summit in Harare solidifying the SADC's conservation efforts. TFCAs are a means of creating an enabling environment for local participation in decision making processes and for increasing investment opportunities for income generating activities for communities.

426. The country also hosted the Ramsar Convention, from 23-31 July 2025 in Victoria Falls. This is a global event to be attended by more than 2 000 delegates, to discuss how the world should manage wetlands to reduce climate change, improve food security and protect community livelihoods.
427. Government is also set to finalise the carbon credit regulatory framework which sets out the specific guidelines to safeguard the market.

Peace and Security

428. In order to enhance peace and security of the country, an amount of ZiG14 billion was expended to the security sector. The resources were spent on employment costs (salaries and allowances) operations, including the continuous training of the security forces, mobility, provision of institutional provisions, as well as infrastructure development.
429. Support was also extended towards the Research and Development initiatives as well as strengthening intelligence capability, crime prevention, investigation and detention, training and development.

Monitoring and Evaluation

430. Monitoring and evaluation remain a critical component of Integrated Results Based Management and is of paramount importance in the achievement of NDS1 targets and aspirations. As part of the Government's commitment to evidence-based planning, transparency and accountability in public resource management, the Monitoring and Evaluation (M&E) function has continued to play a critical role.
431. Overall budget disbursement was lagging behind actual cash support on account of cashflow constraints. In addition, for some MDAs budget execution has been low on account of implementation capacity constraints.
432. To resolve the capacity constraints, the affected MDAs have been advised to outsource for critical services from our public entities such as the Infrastructure Development Bank of Zimbabwe.
433. To ensure value for money in the implementation of projects and programmes, MDAs continue to exercise due diligence on all Government transactions.
434. Citizen engagement continues to play a critical role in projects and programmes monitoring through strengthened

accountability, with several instances of corrections being done in response to citizen feedback through various platforms.

435. Going into the second half of the year, Government will strengthen Results-Based Budgeting (PBB) through aligning programme funding with performance indicators and reinforce the use of results frameworks during budget formulation and implementation.
436. Capacity building will be supported through continuous training in M&E for Government personnel at both national and sub-national levels to ensure data quality and timely reporting. In addition, feedback loops will continue to be institutionalised in support of integrating citizen feedback into program redesign and resources reallocation decisions.
437. As the country wraps the implementation of NDS1, MDAs must deepen collaboration with the Zimbabwe National Statistics Agency (ZIMSTAT) for harmonised data collection and reporting which is key in facilitating evaluation of programmes outcomes.

REGIONAL ENGAGEMENTS: SADC

438. Zimbabwe under the leadership of His Excellency, President Dr. E. D. Mnangagwa assumed the Chairmanship during

the 44th Southern African Development Community (SADC) Ordinary Summit held in Harare in August 2024. In this capacity, the country convened several sectoral, ministerial, and high-level political engagements aimed at accelerating the implementation of the Regional Indicative Strategic Development Plan (RISDP) 2020–2030 and fostering deeper regional integration.

439. These forums spanned critical areas such as trade, health, infrastructure, ICT, energy, gender, disaster risk reduction, and education, and culminated in the adoption of transformative policy frameworks, including the SADC Strategy on Obesity Prevention, pooled procurement systems, mechanisms for HIV response, infrastructure corridor development models, and regional employment and labour policy priorities.
440. The country successfully hosted and chaired several Extraordinary Summits to address peace and security concerns, particularly in the Eastern Democratic Republic of Congo (DRC), and co-hosted the Joint SADC-EAC Summits, which aligned the Luanda and Nairobi processes into a single, harmonised peace framework.
441. In addition, the country hosted the Inter-Ministerial Taskforce Meeting on the Kasumbalesa Border Post, which advanced

regional approaches to resolving non-tariff barriers and congestion challenges along strategic trade routes. In the environmental sphere, the successful celebration of the 25th Anniversary of the Trans Frontier Conservation Areas (TFCAs) Programme provided a platform for launching the Zimbabwe Carbon Trading Framework and mobilising over €25 million from the Federal Republic of Germany. Zimbabwe also convened the SADC-EU Ministerial Political Dialogue and the SADC-International Cooperating Partners (ICP) Dialogue Platform, strengthening development cooperation and reaffirming SADC's commitment to multilateral partnerships.

442. Zimbabwe's Chairmanship has also placed a strong emphasis on institutional strengthening and policy alignment. This includes initiating reviews of Article 33 of the SADC Treaty (on decision-making), championing the digital transformation of parliamentary institutions, supporting the roll-out of harmonised regional statistics, and promoting inclusive development through gender mainstreaming and youth participation.
443. In addition, the structure of the SADC Regional Development Fund (RDF) has been established to finance infrastructure development across the region. SADC has also incorporated the Financial Action Task Force (FATF) principles aimed at combating money laundering and the financing of terrorism

into its Finance and Investment Protocols. Furthermore, macroeconomic peer reviews were successfully conducted for Angola, the Democratic Republic of Congo, and Zambia, with Zimbabwe due for review in the next cycle.

444. Through these coordinated efforts, Zimbabwe has demonstrated strategic leadership in steering the region towards a more integrated, peaceful, and inclusive Southern Africa. The breadth of engagements and tangible policy outputs achieved during this period affirm Zimbabwe's commitment to the goals of RISDP 2020–2030 and Vision 2050, while positioning the region to collectively respond to emerging challenges and opportunities.

DEVELOPMENT PARTNER SUPPORT

445. The country received development assistance amounting to US\$148.1 million during the first half of the year. The bulk of the support went towards the health sector (US\$95.8 million), emergency response (US\$18.7 million) and education (US\$8.8 million).
446. Annual commitments by Development Partners for the year 2025 are now projected at US\$500 million, 37.5% lower than the initial projection of US\$800 million. The downward revision is mostly attributed to the general reduction of Official

Development Assistance (ODA) by traditional Development Partners and the obtaining changes in the global trade systems. The table below shows the commitments and actual disbursements of development assistance in 2025 to the various sectors of the economy.

Table 58: Development Partner Support (US\$)

Sector	Commitments	Act Disbursements
	2025	Jan – Jun 2025
Health	239,744,744	95,774,236
Emergency Response	73,447,031	18,691,742
Education	51,079,832	8,767,296
Governance	46,297,547	9,762,652
Agriculture	41,989,679	5,226,848
Environment Protection	6,741,177	659,756
Industry/ Manufacturing and Value Addition	6,146,733	1,750,000-
Energy	15,751,025	925,796
Transport and Storage	226,000	-
Social Services Infrastructure and Services	11,723,304	2,108,589
Business and Other Services	488,459	-
Mineral Resources and Mining	354,955	-
Banking and Financial Services	829,702	-
Forestry	656,965	-
Water Supply and Sanitation	3,512,845	4,296,481
Trade Policies and Regulations	1,000,000	127,646
Total	500,000,000	148,091,042

NATIONAL DEVELOPMENT STRATEGY 2 (NDS 2)

447. Government is in the process of formulating the National Development Strategy 2 (NDS2). In this regard, Cabinet approved the Roadmap on 17 September 2024 and the ten National Priority Areas as follows:

- Macro-Economic Stability and Financial Sector Deepening;
 - Inclusive Economic Growth and Structural Transformation;
 - Infrastructural Development and Housing;
 - Agriculture, Food Security, Climate Resilience, and Environmental Protection;
 - Science, Technology, Innovation, Digitalisation and Human Capital Development;
 - Job Creation, Youth Development, Creative Industry, and Culture;
 - Social Development, Gender and Social Protection;
 - Regional Development and Inclusivity through Devolution and Decentralisation;
 - Image Building, International Relations and Trade; and
 - Good Governance, Institution Building and Peace & Security.
448. Subsequent to the approval of these ten National Priority Areas, Chairpersons and Co-Chairpersons for each of the Thematic Working Groups have been identified and are spearheading the formulation and implementation of NDS2.
449. Furthermore, a technical workshop will be convened for Ministries, Departments, and Agencies (MDAs) to develop a comprehensive Development Results Framework that aligns

with Integrated Results-Based Management (IRBM) principles to formulate impactful strategies, policies, and interventions that will be implemented during the National Development Strategy 2 (NDS2).

450. Upon completion of the Thematic Working Group Consultations, a Drafting Team comprising of local experts as well as Sector Specialists from line Ministries will then undertake NDS2 drafting and consolidation process culminating in a draft NDS2 document to be approved by Cabinet.
451. Concurrently with the Thematic Working Group Consultations, local consultants will be conducting a Terminal Evaluation of NDS1. This evaluation aims to inform NDS2 by assessing the achievements, lessons learned, and implementation gaps of NDS1.
452. The objective is to launch the final NDS2 blueprint sometime early November 2025 to ensure that it guides the 2026 National Budget.

COST OF DOING BUSINESS

453. During the beginning of the year 2025, His Excellency, the President, Dr. E. D. Mnangagwa made a commitment to improve the ease of doing business by addressing the high

regulatory and utility costs and enhancing border efficiency. The aim is to create a conducive business environment that attracts both domestic and foreign investment, fosters innovation and promotes sustainable economic growth through streamlining business regulations, reducing compliance costs and eliminating bureaucratic inefficiencies.

454. In this regard, during the second half of the year, Government will be seized with the implementation of the doing business reforms.
455. Meanwhile, Government has with immediate effect begun the process of reviewing various fees and charges. In addition, the number of bureaucratic steps and compliance requirements will be drastically reduced.
456. On the fiscal front, Government will continue to review the existing tax system with a view to reducing reported and observed distortions, grant the necessary supportive regime for business growth and competitiveness within and on the regional and international market without compromising fiscal sustainability.

CONCLUSION

457. The performance of the economy and the Budget during the first half of the year was within the approved levels by Parliament. The macro-fiscal framework underpinning the approved 2025 National Budget remains relevant and still supports the targeted projects and programmes.
458. To ensure that the fiscal policy is complementary to the monetary policy to sustain the prevailing price and exchange rate stability, Government will continue to ensure that all expenditures are contingent on the performance of revenues. This entails continuity of the principle of “*living within our means*”.
459. Success of this strategic policy direction requires that all MDAs exercise financial discipline, that is, avoiding incurring expenditures without confirmation of resource availability, enforcing value for money in all procurement processes and prioritising high impact projects and programmes.
460. This will enhance Government`s ability to deliver optimal public services, which are impactful on the welfare of the general public, within the limited resource envelop.

461. During the last half of the year, Government is seized with implementation of ease of doing business reforms, specifically streamlining of fees and charges, as well as regulatory requirements. This is imperative to reduce the operational cost of domestic industry to enable it to compete both domestically and internationally.

A handwritten signature in black ink, appearing to read 'Mthuli Ncube', enclosed in a thin black rectangular border.

Hon. Prof. Mthuli Ncube

**Minister of Finance, Economic Development and
Investment Promotion**

29 July 2025

Annex 1: Fiscal Outturn (ZiG m)

	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
	Jan-25	Jan-25	Feb-25	Feb-25	Mar-25	Mar-25	Apr-25	Apr-25	May-25	May-25	Jun-25	Jun-25	Jun-25	Jun-25	Cum. Total	Cum. Total
Total Revenue	16,165.72	17,89.80	14,430.37	16,758.60	16,123.41	20,813.10	16,657.92	18,921.00	17,685.22	20,542.80	20,182.76	23,245.80	20,182.76	23,245.80	101,245.41	118,121.10
Tax Revenue	15,573.00	17,012.22	13,774.77	15,981.18	15,437.93	19,847.59	15,847.79	18,043.26	16,926.65	19,589.83	19,540.13	22,167.44	19,540.13	22,167.44	97,100.27	112,641.52
Tax on Income and Profits	5,149.39	5,625.48	3,786.68	5,284.55	5,647.07	6,618.57	4,862.83	5,966.42	4,741.58	6,477.83	7,948.32	7,330.18	7,948.32	7,330.18	32,135.87	37,303.02
Individuals	3,820.59	3,567.96	3,024.99	3,351.72	3,143.60	4,162.62	2,939.26	3,784.20	3,036.81	4,108.56	4,188.04	4,649.16	4,188.04	4,649.16	20,153.29	23,624.22
Companies	1,111.91	1,685.05	601.93	1,584.14	2,283.32	1,942.56	1,566.81	1,765.96	1,339.07	1,917.33	3,503.93	2,169.61	3,503.93	2,169.61	10,386.97	11,024.64
Domestic dividend and interest	196.73	237.86	150.02	223.45	141.28	333.01	271.73	252.28	273.29	273.90	243.91	309.94	243.91	309.94	1,276.96	1,630.45
Other income taxes	0.88	83.25	-	78.21	88.32	97.13	65.78	88.30	81.51	95.87	-	108.48	-	108.48	236.50	551.23
Presumptive tax	19.28	71.36	9.74	67.03	10.56	83.25	19.24	75.68	10.90	82.17	12.44	92.98	12.44	92.98	82.16	472.48
Customs duties	954.15	1,216.67	966.98	1,142.94	1,171.61	1,419.45	1,088.86	1,290.41	1,383.68	1,401.02	1,213.35	1,585.36	1,213.35	1,585.36	6,778.64	8,055.86
Dairy Products	2.00	6.66	2.70	6.26	2.25	7.77	3.75	7.06	2.98	7.67	4.62	8.68	4.62	8.68	18.30	44.10
Surcharge on High Value Motor Vehicles	-	121.31	-	113.96	-	141.53	15.76	128.66	-	139.69	-	158.07	-	158.07	15.76	803.22
Other (Prime & Surtax)	956.76	1,091.80	967.15	1,025.63	1,172.12	1,273.76	1,072.90	1,157.97	1,384.32	1,257.22	1,214.40	1,422.64	1,214.40	1,422.64	6,767.66	7,229.01
Refunds Duty	(4.61)	(3.09)	(2.87)	(2.90)	(2.75)	(3.61)	(3.55)	(3.28)	(3.65)	(3.56)	(5.67)	(4.03)	(5.67)	(4.03)	(23.08)	(20.47)
Excise duties	1,549.57	2,516.32	1,707.16	2,363.81	1,756.35	2,935.70	1,982.00	2,668.82	2,334.09	2,897.58	2,334.26	3,278.84	2,334.26	3,278.84	11,663.44	16,661.06
Beer	166.88	190.29	181.00	178.76	136.71	222.01	168.79	201.82	182.76	219.12	172.30	247.96	172.30	247.96	1,008.44	1,259.96
Wines and Spirits	84.90	206.94	85.54	194.40	71.59	241.43	63.38	219.48	73.89	238.30	88.39	269.65	88.39	269.65	467.69	1,370.20
Tobacco	9.69	35.68	18.81	33.52	26.50	41.63	17.34	37.84	28.49	41.09	24.13	46.49	24.13	46.49	124.96	236.24
Second Hand Motors Vehicles	35.46	11.89	6.42	11.17	6.17	13.88	5.64	12.61	6.30	13.70	6.46	15.50	6.46	15.50	66.45	78.75
Fuels	1,091.52	1,950.48	1,237.29	1,832.27	1,398.13	2,275.57	1,621.48	2,068.70	1,895.25	2,246.01	1,928.03	2,541.54	1,928.03	2,541.54	9,171.70	12,914.57
Fast food	-	-	-	-	-	-	8.76	-	5.72	-	6.58	-	6.58	-	21.05	-
Special Surtax on Sugar Content	161.14	121.03	178.09	113.69	117.24	141.20	96.62	128.36	141.68	139.36	108.37	157.70	108.37	157.70	803.14	801.33

	Actual Jan-25	Target Jan-25	Actual Feb-25	Target Feb-25	Actual Mar-25	Target Mar-25	Actual Apr-25	Target Apr-25	Actual May-25	Target May-25	Actual Jun-25	Target Jun-25	Actual Cum. Total	Target Cum. Total
Taxes on Specific Services	937.21	1,094.24	967.56	1,027.93	1,094.28	1,276.62	1,213.26	1,160.56	1,344.84	1,260.04	1,988.23	1,425.83	7,545.98	7,245.22
Business Licences	183.66	0.07	132.31	0.06	143.03	0.08	105.21	0.07	215.08	0.08	188.75	0.09	968.04	0.46
Energy Taxes -Carbon Tax	153.21	237.86	169.13	223.45	192.34	277.51	224.05	252.28	209.82	273.90	316.07	309.94	1,264.62	1,574.95
Fuel levy (4 cents diesel levy)	600.34	856.31	666.12	804.41	758.91	999.03	884.00	908.21	919.94	986.05	1,483.41	1,115.80	5,312.72	5,669.81
Value Added Tax (VAT)	4,889.19	4,629.24	3,903.06	4,348.68	3,890.35	5,400.78	4,817.44	4,909.80	4,817.08	5,330.64	3,247.82	6,032.04	25,564.94	30,651.17
VAT on Domestic Goods	3,248.55	3,020.87	2,953.42	2,837.79	2,610.17	3,524.35	2,899.82	3,203.96	2,973.36	3,478.58	1,888.17	3,936.29	16,573.51	20,001.84
VAT on Withholding Tax	239.67	207.66	243.78	195.07	145.00	242.26	447.15	220.24	211.15	239.12	226.77	270.58	1,513.52	1,374.93
Imported Goods & Services	1,589.75	1,617.48	1,679.93	1,519.45	1,811.54	1,887.05	1,785.85	1,715.50	2,000.58	1,862.55	1,912.29	2,107.62	10,779.94	10,709.65
Value Chain Withholding Tax (Route to Market)	-	92.77	-	87.14	-	108.23	4.80	98.39	3.93	106.82	-	120.88	8.73	614.23
Export Tax on Unbeneficiated Minerals	-	47.57	-	44.69	-	55.50	8.01	50.46	2.26	54.78	-	61.99	10.27	314.99
Refunds	(188.78)	(357.11)	(974.07)	(335.46)	(676.37)	(416.62)	(328.18)	(378.75)	(374.21)	(411.21)	(779.42)	(465.32)	(3,321.03)	(2,364.47)
Taxes on gross Revenue	998.70	1,058.49	1,221.59	994.34	681.63	1,179.41	806.34	1,122.65	1,061.35	1,218.87	1,223.34	1,379.25	5,992.96	6,953.02
Tobacco Levy	0.02	47.57	0.07	44.69	0.97	55.50	50.11	50.46	118.33	54.78	193.70	61.99	363.19	314.99
Royalties-mining	556.43	570.87	844.06	536.28	327.00	666.02	467.62	605.47	557.17	657.37	648.13	743.87	3,400.41	3,779.88
Airtime (including Health levy)	350.16	297.33	302.38	279.31	260.23	346.89	268.44	315.35	301.46	342.38	312.71	387.43	1,795.39	1,968.69
withholding tax on Tenders	91.63	47.57	56.65	44.69	59.94	-	-	50.46	53.49	54.78	45.85	61.99	307.55	259.49

	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	
	Jan-25	Jan-25	Feb-25	Feb-25	Mar-25	Mar-25	Apr-25	Apr-25	May-25	May-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Cum. Total	Cum. Total	
% levy on specific minerals	0.47	95.15	18.43	89.38	33.49	111.00	20.18	100.91	30.90	109.56	22.95	123.98	126.42	629.98					
Taxes on financial and capital transactions	1,071.33	812.31	1,194.09	763.07	1,156.11	947.69	1,045.08	861.54	1,221.83	935.38	1,543.51	1,058.46	7,231.95	5,378.45					
IMTT	1,068.83	799.22	1,191.33	750.79	1,153.49	932.43	1,036.82	847.66	1,218.17	920.32	1,540.14	1,041.41	7,208.78	5,291.83					
ATM Levy	2.50	13.08	2.76	12.29	2.61	15.26	8.26	13.88	3.66	15.06	3.38	17.05	23.17	86.62					
Other Indirect taxes	23.47	59.47	27.65	55.86	40.54	69.38	31.97	63.07	22.20	68.48	41.29	77.49	187.10	393.74					
Stamp duty	23.47	17.84	26.41	16.76	25.74	20.81	23.22	18.92	15.58	20.54	31.28	23.25	145.70	118.12					
Other indirect taxes	-	5.95	0.04	5.59	14.79	6.94	0.55	6.31	0.03	6.85	0.78	7.75	16.19	39.37					
Wealth Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Special Capital Gains Tax on Disposal of Mining Rights	-	35.68	0.07	33.52	-	41.63	0.54	37.84	0.20	41.09	-	46.49	0.82	236.24					
Betting Tax	-	-	1.13	-	-	-	7.65	-	6.39	-	9.23	-	24.40	-					
Non-tax Revenue	592.72	827.58	655.60	777.42	685.48	965.51	810.13	877.74	758.57	952.97	642.64	1,078.36	4,145.13	5,479.58					
Property income	22.85	95.15	0.76	89.46	0.03	111.10	0.68	100.91	-	109.56	13.14	123.98	37.45	630.15					
Interest	-	95.15	0.76	89.46	0.03	111.10	0.68	100.91	-	109.56	-	123.98	1.47	630.15					
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Withdrawals quasi -corporations	10.33	-	-	-	-	-	-	-	-	-	11.85	-	22.18	-					
Rent	12.52	-	-	-	-	-	-	-	-	-	1.29	-	13.81	-					
Sales of Goods and Services	525.97	730.80	618.67	686.43	655.23	852.50	784.98	766.93	723.50	832.67	602.83	942.23	3,911.17	4,811.56					
Sales by Market Establishments	-	95.15	-	89.38	-	111.00	-	100.91	-	109.56	-	123.98	-	629.98					

	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
	Jan-25	Jan-25	Feb-25	Feb-25	Mar-25	Mar-25	Apr-25	Apr-25	May-25	May-25	Jun-25	Jun-25	Jun-25	Jun-25	Cum. Total	Cum. Total
Administrative fees	212.90	447.19	208.06	420.09	280.91	521.73	286.01	469.24	245.57	509.46	319.00	576.50	1,552.45	1,552.45	2,944.21	2,944.21
Incidental sale By Non-Market Establishments	9.12	90.92	9.67	85.33	3.92	105.98	3.22	93.34	2.23	101.34	2.71	114.68	30.86	30.86	591.59	591.59
Toll fees & vehicle registration	293.06	85.63	387.58	80.44	363.60	99.90	492.06	90.82	470.86	98.61	275.91	111.58	2,283.10	2,283.10	566.98	566.98
Rentals	10.86	7.15	4.62	6.72	2.69	8.35	3.69	7.57	2.54	8.22	5.21	9.30	29.61	29.61	47.30	47.30
Motor Vehicle insurance	-	4.76	8.73	4.47	4.12	5.55	-	5.05	2.30	5.48	-	6.20	15.15	15.15	31.50	31.50
Fines, penalties and forfeits	43.91	1.63	36.17	1.54	30.22	1.91	24.48	9.89	35.06	10.74	26.67	12.15	196.51	196.51	37.86	37.86
Judicial fines	1.50	0.48	-	0.45	-	0.56	-	0.50	-	0.55	0.20	0.62	1.70	1.70	3.15	3.15
ZIMRA penalties	42.41	1.16	33.30	1.09	30.22	1.35	24.48	9.39	35.06	10.19	26.47	11.53	191.94	191.94	34.71	34.71
Employment related penalties	-	-	2.87	-	-	-	-	-	-	-	-	-	2.87	2.87	-	-
Total	15,565.25	19,789.83	13,730.77	20,694.87	15,282.17	21,262.76	16,550.83	21,809.05	16,097.23	21,634.75	20,769.86	22,347.94	97,996.10	97,996.10	127,539.20	127,539.20
Expenditure																
Expenses	11,871.74	18,711.92	10,261.52	18,661.80	12,284.80	19,229.69	13,465.49	19,337.11	12,736.78	18,273.47	13,799.42	19,391.73	74,419.75	74,419.75	113,605.73	113,605.73
Compensation of Employees	5,747.34	7,935.18	4,600.53	7,935.18	4,443.33	7,935.18	5,886.74	7,935.18	4,672.81	7,935.18	5,467.27	7,935.18	30,818.02	30,818.02	47,611.06	47,611.06
Wages in cash	5,709.03	7,124.36	4,596.74	7,124.36	4,443.33	7,124.36	5,886.74	7,124.36	4,174.31	7,124.36	5,288.90	7,124.36	30,099.05	30,099.05	42,746.14	42,746.14
Wages in kind	3.57	96.78	3.79	96.78	-	96.78	-	96.78	-	96.78	3.26	96.78	10.62	10.62	580.68	580.68
Medical Insurance (PSMAS)	-	187.39	-	187.39	-	187.39	-	187.39	158.43	187.39	-	187.39	158.43	158.43	1,124.35	1,124.35
Social Contribution (NSSA)	-	123.34	-	123.34	-	123.34	-	123.34	322.34	123.34	161.79	123.34	484.14	484.14	740.04	740.04
Employer pension contribution	-	398.81	-	398.81	-	398.81	-	398.81	-	398.81	-	398.81	-	-	2,392.84	2,392.84

	Actual		Target		Actual		Target		Actual		Target		Actual		Target		Actual		Target			
	Jan-25	Jan-25	Feb-25	Feb-25	Mar-25	Mar-25	Apr-25	Apr-25	May-25	May-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	
Funeral Expenses	34.73	4.50	-	4.50	-	4.50	-	4.50	17.73	4.50	13.31	4.50	4.50	65.78	4.50	27.01						
Use of Goods and Services	1,590.52	3,175.09	1,924.71	3,698.35	2,728.16	3,665.62	3,100.31	3,548.01	3,396.08	3,458.13	3,759.03	3,636.10	3,636.10	16,498.81	3,636.10	21,181.29						
Domestic Travel Expenses	29.00	361.69	120.67	401.19	116.22	422.42	299.57	437.86	206.49	394.27	151.69	381.34	381.34	923.64	381.34	2,398.76						
Foreign Travel Expenses	59.58	200.34	342.55	249.42	202.11	257.18	455.60	273.13	309.88	259.13	272.79	250.20	250.20	1,642.50	250.20	1,489.41						
Communication, Supplies and Services	773.51	182.93	137.48	187.27	29.35	217.38	482.93	191.13	377.24	201.40	696.47	189.83	189.83	2,496.98	189.83	1,169.94						
Education supplies and Services	11.66	19.85	-	21.95	-	33.11	8.39	31.59	12.30	18.64	8.17	23.43	23.43	40.52	23.43	148.57						
Medical Supplies and services	26.02	358.60	132.94	818.12	107.60	650.71	160.70	458.61	283.99	509.44	221.87	504.66	504.66	933.12	504.66	3,300.15						
Office supplies and services	0.32	218.88	11.60	231.56	4.10	239.82	4.65	224.83	13.95	222.00	8.97	249.11	249.11	43.58	249.11	1,386.20						
Training expenses	0.17	100.86	0.64	157.49	-	151.52	0.52	156.14	10.51	143.12	7.02	150.15	150.15	18.87	150.15	859.28						
Rental and other service charges	215.62	335.47	221.93	399.97	452.43	430.22	452.93	420.99	552.94	405.80	838.16	409.32	409.32	2,734.01	409.32	2,401.77						
Institutional provisions	147.18	211.07	430.08	247.83	576.70	259.71	265.36	286.56	331.59	285.99	305.16	302.10	302.10	2,056.07	302.10	1,593.25						
Other Good and Services	190.35	622.78	290.11	334.13	448.47	341.62	496.56	397.80	916.21	365.22	898.82	526.12	526.12	3,240.50	526.12	2,587.67						
Maintenance	137.11	562.62	236.70	649.43	791.19	661.93	473.12	669.38	380.98	653.11	349.92	649.83	649.83	2,369.02	649.83	3,846.29						
Interest on debt	1,050.23	467.83	180.46	467.83	669.55	467.83	491.37	467.83	2.20	467.83	132.65	467.83	467.83	2,526.46	467.83	2,807.00						
Foreign	434.49	-	171.95	-	75.91	-	491.37	-	-	-	19.44	-	-	1,193.17	-	-						
Domestic	615.74	467.83	8.50	467.83	593.64	467.83	-	467.83	2.20	467.83	113.21	467.83	467.83	1,333.29	467.83	2,807.00						
Subsidies	406.83	-	480.48	-	859.36	-	586.51	-	762.08	-	761.05	-	-	3,856.32	-	-						
Subsidy	406.83	-	480.48	-	859.36	-	586.51	-	762.08	-	761.05	-	-	3,856.32	-	-						
Grants	1,064.67	2,816.78	1,115.17	3,733.78	1,122.44	4,063.65	1,467.32	3,470.74	1,355.87	3,300.70	1,304.80	3,356.24	3,356.24	7,430.26	3,356.24	20,741.89						

	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
	Jan-25	Jan-25	Feb-25	Feb-25	Mar-25	Mar-25	Apr-25	Apr-25	May-25	May-25	Jun-25	Jun-25	Cum. Total	Cum. Total
o/w extra budgetary units -salaries	693.57	1,394.50	859.90	1,662.41	800.22	1,646.03	833.49	1,966.34	778.62	1,805.85	926.45	1,862.01	4,892.26	10,337.14
operations	370.73	287.78	227.04	936.87	225.86	1,283.12	539.22	369.91	568.03	360.35	377.92	359.73	2,308.79	3,597.76
Transfers to Provincial Councils and local Authorities	0.38	1,134.50	28.23	1,134.50	96.36	1,134.50	94.60	1,134.50	9.22	1,134.50	0.43	1,134.50	229.21	6,807.00
Social Benefits	1,993.49	4,308.06	1,901.68	2,798.60	2,423.96	3,087.27	1,917.12	3,898.33	2,271.77	3,092.78	2,267.34	3,982.31	12,775.36	21,167.35
Social Benefits	729.82	2,582.44	135.33	1,072.98	632.22	1,361.65	179.87	2,172.71	793.05	1,367.16	647.45	2,256.69	3,117.75	10,813.63
Pensions	1,263.67	1,725.62	1,766.35	1,725.62	1,791.73	1,725.62	1,737.25	1,725.62	1,478.72	1,725.62	1,619.89	1,725.62	9,657.61	10,353.71
Other Expenses	18.66	8.98	58.49	28.06	38.00	10.14	16.13	17.02	275.96	18.85	107.28	14.08	514.52	97.14
Domestic Transfers	-	-	-	-	-	-	-	-	275.96	-	53.84	-	329.81	-
Foreign Transfers	18.66	8.98	58.49	28.06	38.00	10.14	16.13	17.02	-	18.85	53.43	14.08	184.71	97.14
Non-Financial & Financial Assets	3,693.51	1,077.91	3,469.25	2,033.07	2,997.37	2,033.07	3,085.33	2,471.94	3,360.45	3,361.28	6,970.45	2,956.21	23,576.36	13,933.47
Building and Structures	2,117.14	462.95	2,371.55	599.69	928.15	599.69	1,736.76	1,061.68	1,626.42	1,443.64	3,142.57	1,269.67	11,922.61	5,437.32
Machinery and Equipment	494.14	270.36	443.20	630.15	737.32	630.15	981.58	619.99	1,014.93	843.06	1,769.35	741.45	5,440.52	3,735.14
Other fixed assets	-	4.93	-	11.49	-	11.49	-	11.31	-	15.37	-	13.52	-	68.11
Inventories	21.02	-	303.22	-	18.65	-	59.11	-	223.63	-	37.74	-	663.37	-
Valuables	96.49	-	86.71	-	86.17	-	89.95	-	-	-	-	-	359.32	-
Non-produced Assets	-	3.42	-	7.96	-	7.96	-	7.84	-	10.66	-	9.37	-	47.21

	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
	Jan-25	Jan-25	Feb-25	Feb-25	Mar-25	Mar-25	Apr-25	Apr-25	May-25	May-25	Jun-25	Jun-25	Cum. Total	Cum. Total
Capital Grants to other General Gvt units	53.19	272.97	97.00	636.28	263.75	636.28	115.09	626.02	116.19	851.24	192.39	748.66	837.61	3,771.46
Loans	856.05	49.22	-	114.72	909.26	114.72	102.83	112.86	379.27	153.47	1,828.40	134.98	4,075.82	679.95
Equity and Investments Fund Shares	55.49	14.06	167.57	32.78	-	32.78	-	32.25	-	43.85	-	38.57	223.06	194.28
Standardised Guarantee Schemes	-	-	-	-	54.05	-	-	-	-	-	-	-	54.05	-
o/w RBZ debt	856.05	-	-	-	752.84	-	102.83	-	379.27	-	1,828.40	-	3,919.39	-
Surplus/Deficit	600.47	(1,950.03)	699.60	(3,936.27)	841.24	(449.66)	107.10	(2,888.05)	1,587.99	(1,091.95)	(587.10)	897.86	3,249.31	(9,418.10)

Annex 2: Budget Utilisation by MDAs

Ministries / Departments / Agencies	Budget	Expenditure to 30 June	Performance	Key supported areas
Office of the President and Cabinet	10,568	8,524	81%	Signing of Performance Contracts by Principals, Procurement of Vehicles, Construction of Zimbabwe House security wall, rehabilitation of State residences & Construction of the Museum of African Liberation
Parliament of Zimbabwe	2,753	837	30%	Legislative expenses (Sitting Allowances, Fuel, Hotel accommodation), Procurement of vehicles for Parliamentarians.
Public Service, Labour and Social Welfare	11,710	2,789	24%	Operational expenses, Social benefits o/w BEAM ZWG 2 billion, FDMS ZWG200 million
Defence	18,052	6,020	33%	Operational expenses, Rehabilitation and Construction of institutional buildings, Construction of Manyame VIP Hospital, Dzivarasekwa housing
Finance, Economic Development and Investment Promotion	28,710	11,193	39%	Hosted 2 Investment Conferences one in Manicaland and the other in Midlands, international subscriptions and procurement of an office building for Securities, Exchange Commission of Zimbabwe and National Venture Capital & ZIMRA retention.
Audit Office	739	73	10%	Operational expenses and procurement of furniture
Industry and Commerce	551	82	15%	Ministry successfully hosted the SADC Technical Barriers to Trade meetings in March 2025 where fruitful discussions were made with regards to the ease of doing business in the SADC region.
Lands, Agriculture, Fisheries, Water and Rural Development	22,935	10,178	44%	Presidential Input Programme, crop and livestock assessments, dam construction, Presidential Borehole Drilling Programme, Grain Procurement, procurement of vehicles and irrigation development
Mines & Mining Development	765	194	25%	Clearing of 2024 arrears, Customer satisfaction survey, Stakeholder consultations of the Mines and Minerals Bill and monitoring visits
Environment, Climate and Wildlife	517	222	43%	Operational expenses

Transport and Infrastructural Development	5,444	6,305	116%	The rollout of plastic driver's licenses and number plates, enhancing efficiency and service delivery in these critical areas. Construction works at Harare-Masvingo-Beitbridge road, Bulawayo-Victoria Falls road, Harare-Chirundu road, Harare-Bindura road among other roads under the Emergency Roads Rehabilitation Programme II, procurement of Condition of Service vehicles under CMED, procurement of rolling stock for NRZ.
Foreign Affairs and International Trade	3,990	563	14%	Operational expenses towards foreign missions
Local Government and Public Works	4,908	1,151	23%	State Occasions as well as maintenance of Government Buildings, 44th Independence preparations, payment for outstanding IPCs for ancillary works done at the New Parliament Building, procurement of tools of trade.
Health and Child Care	27,827	6,980	25%	General Hospital Support, Procurement of hospital equipment, rehabilitation of infrastructure at Central, Provincial, General and District Hospitals
Primary and Secondary Education	42,517	13,133	31%	Support to ZIMSEC for the Public Exams Subsidy, Schools Financing policy consultations., vehicle procurement and construction of schools
Higher & Tertiary Education, Science and Technology Development	9,865	3,056	31%	Construction of Innovation Hubs and other key learning infrastructure at various Universities
Women Affairs, Community, Small and Medium Enterprises Development	1,057	324	31%	Operational expenses, procurement of vehicles and capitalisation of the Women' Bank
Home Affairs and Cultural Heritage	15,757	5,460	35%	Afrosoft Debt (immigration software) payment, High-Impact Procurement (Uniform materials for ZRP, Public Order Equipment, construction of District Registry Offices, construction and rehabilitation of Zimbabwe Republic Police infrastructure and rehabilitation and upgrading of National Monuments.
Justice, Legal and Parliamentary Affairs	5,745	1,952	34%	Mainly allocated to the High Impact Procurement initiative, which included the purchase of uniforms and accessories for ZPCS and upgrading of prisons and staff houses
Information, Publicity and Broadcasting Services	533	203	38%	State occasions such as 21st February National Youth Day, funeral services for burial of National heroes as well as regular Cabinet updates and Broadcasting Digitalisation Programme

Youth Empowerment, Development and Vocational Training	1,091	307	28%	Hosting of National Youth Day and Participation at National Independence celebrations and capitalisation of the Empower Bank
Energy and Power Development	410	132	32%	Operational expenses
Information Communication Technology and Courier Services	741	116	16%	Operational expenses, and ICT Lab Per School
National Housing and Social Amenities	766	489	64%	Operational expenses, and procurement of institutional accommodation
Veterans of the Liberations Struggle Affairs	807	146	18%	Social Benefits for Veterans (Education, medical and funeral expenses), and procurement of vehicles
Tourism and Hospitality Industry	325	76	23%	Gastronomy Cookouts and showcasing local cuisine, and procurement of vehicles
Sports, Recreation, Arts and Culture	908	168	18%	Operational expenses
Skills, Audit and Development	253	36	14%	Operational expenses, which include fuel and domestic allowances towards skills development activities
Judicial Services Commission	1,285	467	36%	Operational expenses towards Court business as well Circuit Courts, and construction of courts
Public Service Commission	5,938	2,067	35%	The operational support was mainly for the Public Service Transport Management which is mandated with ferrying public servants to and from work
National Council of Chiefs	196	29	15%	Operational expenses
Human Rights Commission	176	48	27%	Operational expenses and procurement of vehicles
National Prosecuting Authority	460	144	31%	Operational expenses and Electronic Case Management System
Zimbabwe Anti-Corruption Commission	236	73	31%	Operational expenses, which include fuel and domestic allowances towards anti-corruption activities

Zimbabwe Electoral Commission	467	125	27%	Operational expenses and procurement of vehicles
Zimbabwe Gender Commission	177	27	15%	Operational expenses
Zimbabwe Land Commission	194	84	43%	Operational expenses
Zimbabwe Media Commission	144	18	12%	Freedom of Information Act (FOIA) – Awareness through public lectures in Lupane & Hwange as well as promotion World Radio Day
Health Service Commission	165	45	28%	Operational expenses
Office of the Attorney General	219	76	35%	A significant portion of the disbursed funds was directed towards foreign travel, as the Office was involved in representing Government in international forums and legal matters
TOTAL	229,902	79,048	34%	
Constitutional & Statutory Appropriations	46,469	14,083	30%	
Total Expenditure & Net Lending	276,371	97,996	35%	



Mgandane Dlodlo Building
Cnr Simon V. Muzenda &
Samora Machel Ave,
Harare, Zimbabwe



@ZimTreasury



Zim Treasury



www.zimtreasury.co.zw



communications@zimtreasury.co.zw



+263 719 567 051