

# 2023

## **NATIONAL BUDGET**

PRESENTED TO THE PARLIAMENT OF ZIMBABWE BY

**HON. PROF. MTHULI NCUBE**

**MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT**

23 NOVEMBER 2023



# Global Economic Outlook(%)



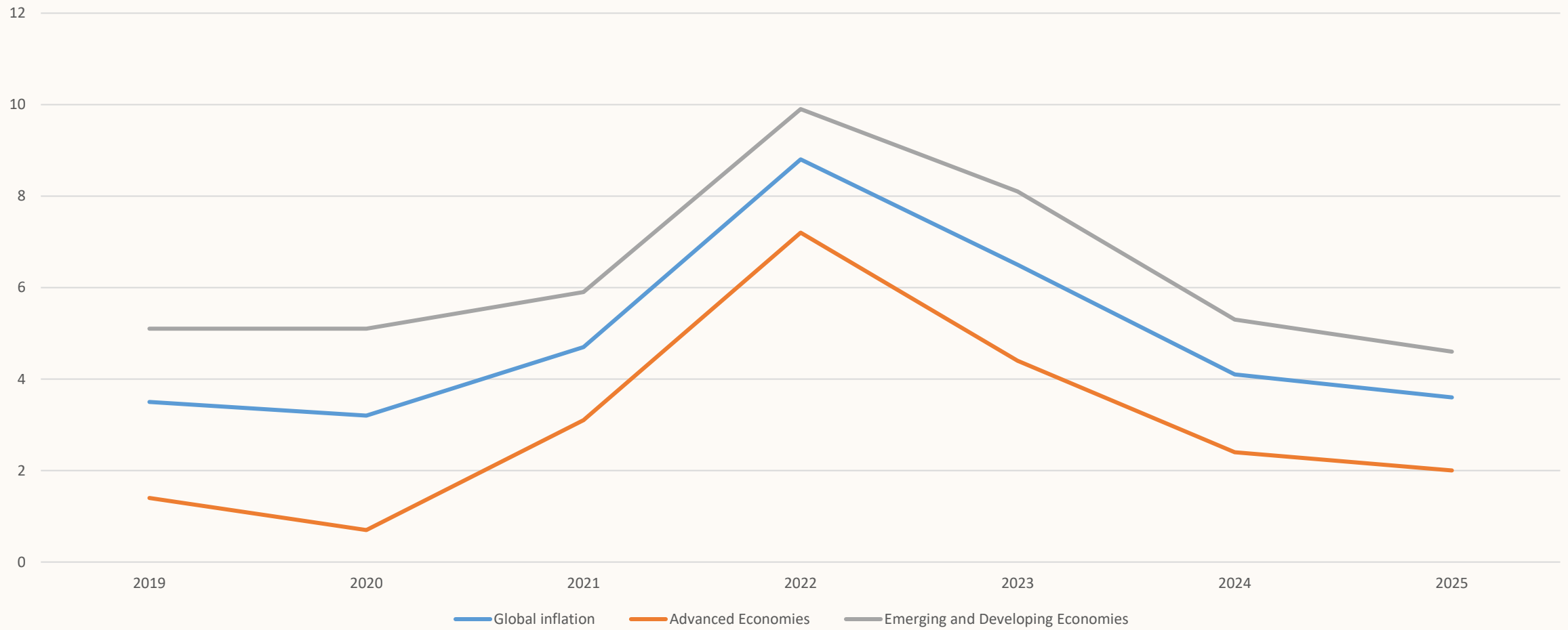
	2020	2021 est	2022 Prj	2023 Prj	2024 Prj	2025 Prj
<b>World</b>	<b>-3.0</b>	<b>6.0</b>	<b>3.2</b>	<b>2.7</b>	<b>3.4</b>	<b>3.4</b>
<b>Advanced economies</b>	<b>-4.4</b>	<b>5.2</b>	<b>2.4</b>	<b>1.1</b>	<b>1.7</b>	<b>1.7</b>
<i>United Kingdom</i>	-9.3	7.4	3.6	0.3	1.5	2.2
<i>United States</i>	-3.4	5.7	1.6	1.0	1.4	1.7
<i>European Union</i>	-6.1	5.2	3.1	0.5	2.1	1.9
<b>Emerging market</b>	<b>-1.9</b>	<b>6.6</b>	<b>3.7</b>	<b>3.7</b>	<b>4.6</b>	<b>4.5</b>
<i>China</i>	2.2	8.1	3.2	4.4	5.1	5.0
<i>India</i>	-6.6	8.7	6.8	6.1	7.0	7.0
<b>Sub-Saharan Africa</b>	<b>-1.6</b>	<b>4.7</b>	<b>3.6</b>	<b>3.7</b>	<b>4.2</b>	<b>4.2</b>
<i>Nigeria</i>	-1.8	3.6	3.2	3.0	2.9	2.9
<i>Kenya</i>	-0.25	7.5	5.3	5.1	5.5	5.6

# Sub-Saharan African Economies GDP Growth (%)



	2021	2022	2023
<b>Sub-Saharan</b>	<b>4.7</b>	<b>3.6</b>	<b>3.7</b>
<b><i>Fuel Exporters</i></b>	3.0	3.3	3.1
Nigeria	3.6	3.2	3.0
Angola	0.8	2.9	3.4
Algeria	0.8	2.9	3.4
<b><i>Middle-Income Countries</i></b>	4.5	3.3	3.1
South Africa	4.9	2.1	1.1
Mauritius	4.0	6.1	5.4
<b><i>Low Income Countries</i></b>	5.3	4.2	5.3
Ethiopia	6.3	3.8	5.3
Zambia	4.6	2.9	4.0
Malawi	2.2	0.9	2.5

# Global Inflation (%)



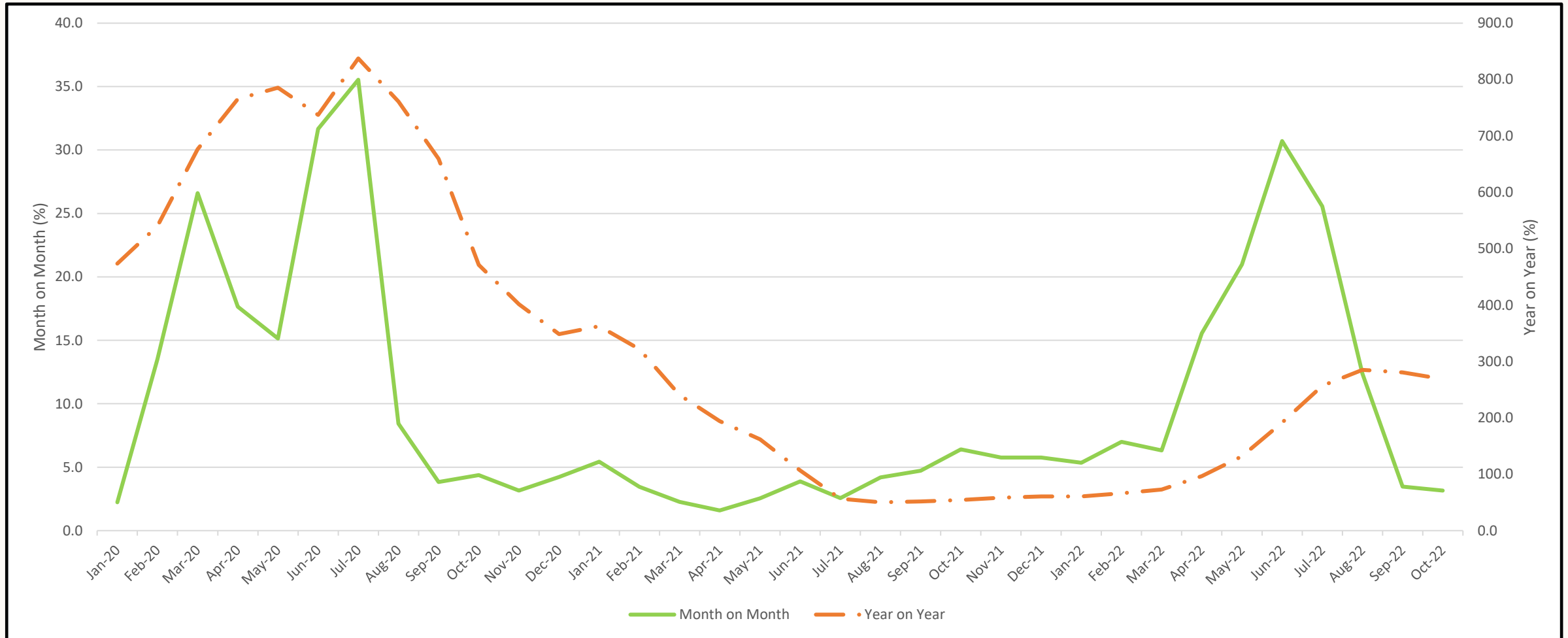


# GDP Growth (%)

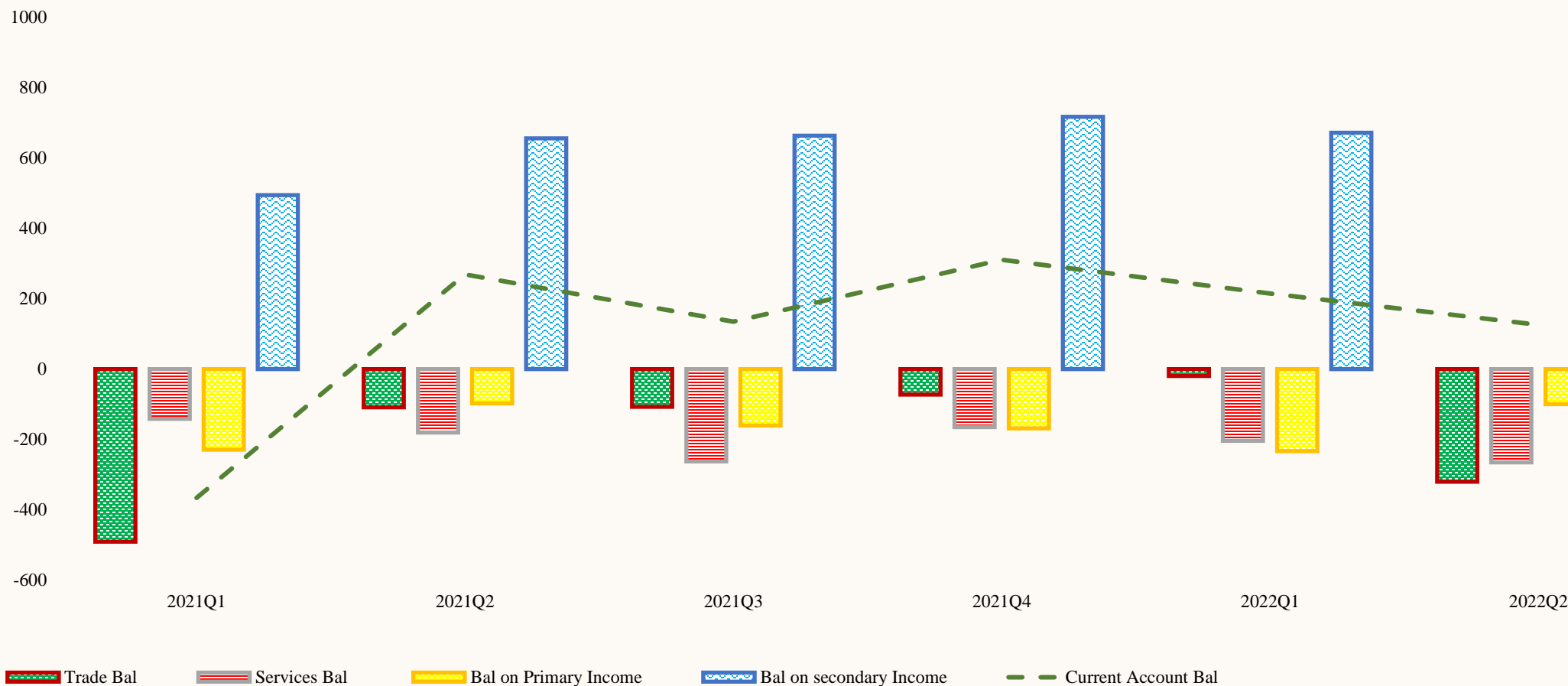


	2021	2022	2023	2024	2025
Agriculture, Hunting and Fishing and forestry	17.5	-14.1	4.0	8.2	7.9
Mining and quarrying	5.9	10.0	10.4	3.8	5.1
Manufacturing	1.2	2.6	2.5	3.7	4.0
Electricity, gas, steam and air conditioning supply	33.9	14.3	4.2	4.6	3.9
Water supply; sewerage, waste management	12.7	4.4	3.8	8.4	5.9
Construction	3.5	10.5	5.8	6.0	9.0
Wholesale and retail trade	8.1	4.3	1.6	5.5	5.6
Transportation and storage	8.5	5.9	2.0	5.6	4.4
Accommodation and food service activities	38.5	56.3	10.0	7.3	2.7
Information and communication	9.8	8.3	1.8	2.8	2.9
Financial and insurance activities	3.0	4.0	1.2	7.3	6.0
Real estate activities	4.1	4.6	3.7	4.7	4.2
Professional, scientific and technical activities	-3.1	1.6	1.6	2.6	3.5
Administrative and support service activities	14.6	0.8	0.2	1.1	1.0
Education	5.8	4.8	2.3	1.7	2.4
Human health and social work activities	18.6	1.3	3.1	2.2	2.4
Arts, entertainment and recreation	14.0	12.3	5.4	4.6	3.9
Other service activities	-2.8	2.2	1.2	3.2	3.2
Domestic Services	2.3	2.2	2.2	2.1	2.1
<b>GDP at Market Prices</b>	<b>8.5</b>	<b>4.0</b>	<b>3.8</b>	<b>4.8</b>	<b>5.0</b>

# Month on Month & Year on Year Inflation (%)



# Current Account (US\$ millions)



# Merchandise Exports (US\$ millions)



	2021H1	2022 HI	Change (%)
<b>Agriculture Exports</b>	<b>303.2</b>	<b>430.5</b>	<b>42.0</b>
Tobacco	256.1	380.1	48.4
Horticulture	24.4	19.3	(21.0)
Macadamia Nuts	6.8	3.6	(46.1)
Citrus	6.1	3.6	(41.3)
Hides	7.2	10.4	44.7
<b>Mineral Exports</b>	<b>2 193.8</b>	<b>2 899.0</b>	<b>32.1</b>
Gold	533.4	953.0	78.7
PGMs	1 119.2	1 253.7	12.0
Chrome&HCF	158.4	261.0	64.8
Diamonds	120.2	86.8	(27.7)
Nickel	30.4	41.0	34.6
<b>Manufactured Exports</b>	<b>152.8</b>	<b>180.2</b>	<b>17.9</b>
Sugar	5.5	11.1	100.7
Cigarettes	26.8	28.1	40.7
Wood & Timber	8.1	5.4	(33.9)
Metal Products	8.5	7.0	(18.0)
Electricals	18.0	13.3	(26.3)
<b>Total</b>	<b>2 649.7</b>	<b>3 509.6</b>	<b>32.5</b>



# Merchandise Imports (US\$ millions)



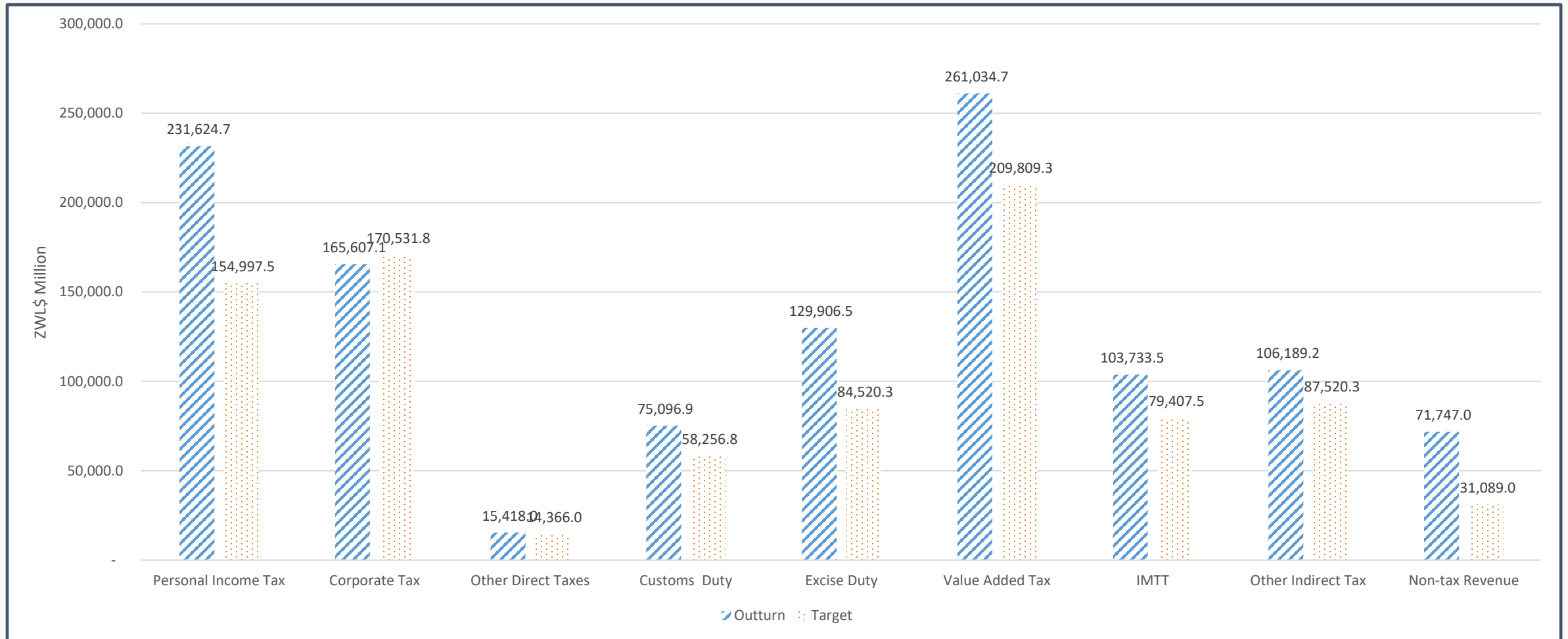
	2021HI	2022 HI	Change (%)
<b>Food</b>	<b>246.7</b>	<b>227.7</b>	<b>(7.7)</b>
Maize	109	10.2	(90.7)
Wheat	37.9	39.5	41
Rice	53.2	71.0	33.4
<b>Non-Food Imports</b>	<b>3 002.4</b>	<b>3 621.7</b>	<b>20.6</b>
Electricity	78.3	73.1	(6.6)
Fuel	530.4	642.0	21.0
Diesel	327.2	375.4	14.7
Petrol	157.0	193.7	23.4
Raw materials	1 239.2	1 479.0	19.4
Manufactured Goods	269.8	278.4	3.2
Machinery	636.9	815.7	28.1
Commercial Vehicles	199.5	224.0	12.3
Passenger Motor Vehicles	61.7	73.3	18.8
Oils and Fats	121.1	185.6	53.3
<b>Total</b>	<b>3 249.2</b>	<b>3 849.4</b>	<b>18.5</b>

# Public Finances: ZWL\$ Million

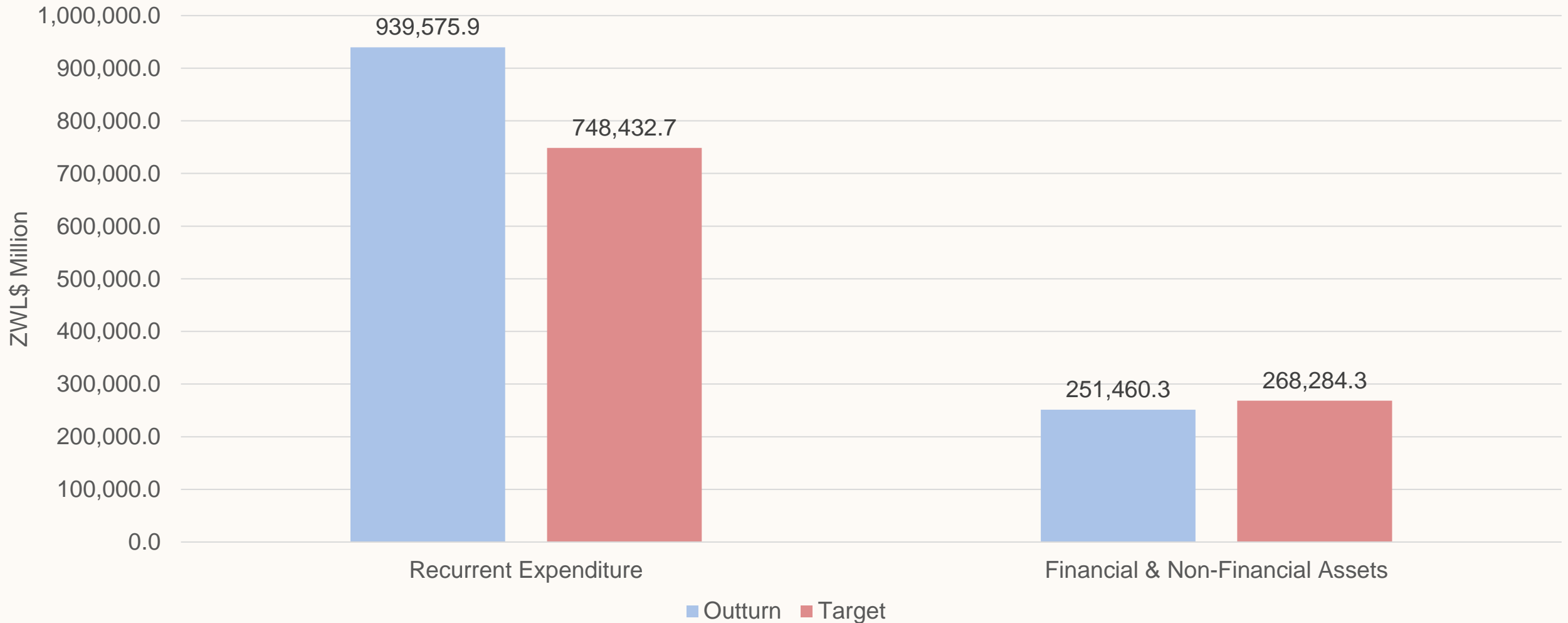


	Orig Budget	Supp Budget	Rev Budget	Outt to Sept 2022	Target to Sept 2022
<b>Total Revenue</b>	<b>850,770.7</b>	<b>889,229.6</b>	<b>1,740,000.2</b>	<b>1,160,357.53</b>	<b>890,498.55</b>
Tax Revenue	809,388.7	844,218.5	1,653,607.1	1,088,610.49	859,409.56
Non-Tax Revenue	41,382.0	45,011.1	86,393.1	71,747.03	31,088.99
<b>Total Exp &amp; Net Lending</b>	<b>968,268.5</b>	<b>929,253.5</b>	<b>1,897,522.0</b>	<b>1,191,036.14</b>	<b>1,016,716.94</b>
Recurrent Expenditure	633,568.5	756,697.5	1,390,266.0	939,575.86	748,432.68
Financial & Non-Financial Assets	334,700.0	172,556.0	507,256.0	251,460.28	268,284.27
<b>Overall Balance</b>	<b>-76,497.34</b>	<b>-40,023.9</b>	<b>-157,521.8</b>	<b>-30,678.62</b>	<b>-126,218.40</b>

# Revenue Performance: Jan– Sept 2022



# Expenditure Performance: Jan – Sept 2022



# Public and Publicly Guaranteed Domestic Debt Stock in ZWL\$m as at end Sept 2022



	TOTAL
<b>Total Debt</b>	<b>2,235,896</b>
Government Securities	55,452
<i>Treasury Bills</i>	44,444
<i>Treasury Bonds</i>	11,008
Compensation of Former Farm Owners	2,176,623
Domestic Arrears	3,822



# Public and Publicly Guaranteed External Debt Stock in US\$m as at end Sept 2022



	DOD	Principal Arrears	Interest Arrears	Penalties	Total Arrears*	TOTAL
<b>Total External Debt ()</b>	<b>7,733</b>	<b>2,700</b>	<b>1,556</b>	<b>2,054</b>	<b>6,310</b>	<b>14,043</b>
<b>External Debt</b>	<b>4,670</b>	<b>2,700</b>	<b>1,556</b>	<b>2,054</b>	<b>6,310</b>	<b>10,980</b>
<i>a. Bilateral Creditors</i>	<b>1,807</b>	<b>1,591</b>	<b>504</b>	<b>1,852</b>	<b>3,946</b>	<b>5,753</b>
Paris Club	116	1,254	430	1,753	3,437	3,552
Non-Paris Club	1,691	337	74	98	509	2,200
<i>b. Multilateral Creditors</i>	<b>223</b>	<b>1,109</b>	<b>1,053</b>	<b>202</b>	<b>2,364</b>	<b>2,587</b>
World Bank	142	685	649	-	1,333	1,475
African Development Bank	27	271	373	-	644	671
European Investment Bank	11	135	24	202	361	372
Others	44	19	7	-	26	69
<i>c. RBZ Debt</i>	2,640	-	-	-	-	2,640
<b>Blocked Funds</b>	<b>3,063</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,063</b>
Cash Payments	32	-	-	-	-	32
Treasury Bonds	1,049	-	-	-	-	1,049
Other Creditors	1,982	-	-	-	-	1,982

# Grants Disbursements by Sector (US\$m)



Sector Distribution	2022 Jan – Sept, Act	2022Q4Proj	2022 Proj	2023 Proj
Agriculture	100.16	25.9	33.8	20.2
Education	8.9	7.7	15.1	25.3
Emergence Response	33.6	8.8	119.7	11.6
Energy	13.7	23.9	20.9	13.5
Forestry	0.3	2.0	0.0	5.6
Governance	42.6	16.0	16.1	44.2
Health	408.3	140	496.6	212.9
Manufacturing & Value Addition	1.4	0.3	0.0	5.7
Mineral Resources & Mining	-	-	0.0	0.2
Other Social Infrastructure & Services	14.4	3.9	66.9	4.2
Tourism	2.4	0.1	0.0	0.8
Trade Policies & Regulations	0.0	0.3	0.0	1.4
Transport & Storage	0.2	0.1	1.1	0.6
Water and Sanitation	12.1	5.0	5.7	6.7
<b>Total</b>	<b>638.3</b>	<b>234.0</b>	<b>776.0</b>	<b>352.8</b>

# Macro-Fiscal Framework (ZWL\$M): 2021-25



	2021	2022	2023	2024	2025
<b>National Accounts</b>					
Real GDP at (2019) market prices (Million ZWL\$)	212,151.32	220,548.42	228,821.19	239,880.51	251,783.38
Nominal GDP at market prices (Million ZWL\$)	3,189,937.24	10,547,415.18	21,768,513.98	29,615,949.63	33,922,056.11
Real GDP Growth (%)	8.5	4.0	3.8	4.8	5.0
<b>Government Accounts</b>					
Revenues (Including Retained Revenue)	489,592.20	1,738,816.6	3,910,072.4	5,653,448.8	6,810,014.2
% of GDP	15.3	16.5	18.0	19.1	20.1
Expenditures & Net Lending (Million ZWL\$)	545,029.15	2,149,584.82	4,246,947.3	6,056,223.4	7,243,319.1
% of GDP	17.1	20.4	19.5	20.4	21.4
Recurrent Expenditures	364,149.54	1,694,867.82	3,590,447.3	4,656,729.7	5,171,668.7
% of GDP	11.4	16.1	16.5	15.7	15.2
Employment Costs including Pension	193,261.03	908,388.60	2,199,662.95	2,919,729.59	3,252,071.15
% of GDP	6.06	8.61	10.1	9.9	9.6
% Total Expenditure	35.46	42.26	51.8	48.2	44.9
% of Revenue	39.47	52.24	56.3	51.6	47.8
Capital Expenditure & Net lending	180,879.61	454,717.00	656,500.0	1,399,493.7	2,071,650.4
% of GDP	5.67	4.31	3.0	4.7	6.1
Overall Balance	-55,436.96	-63,827	-336,875	-402,775	-433,304.9
% of GDP	-1.74	-0.61	-1.5	-1.4	-1.3

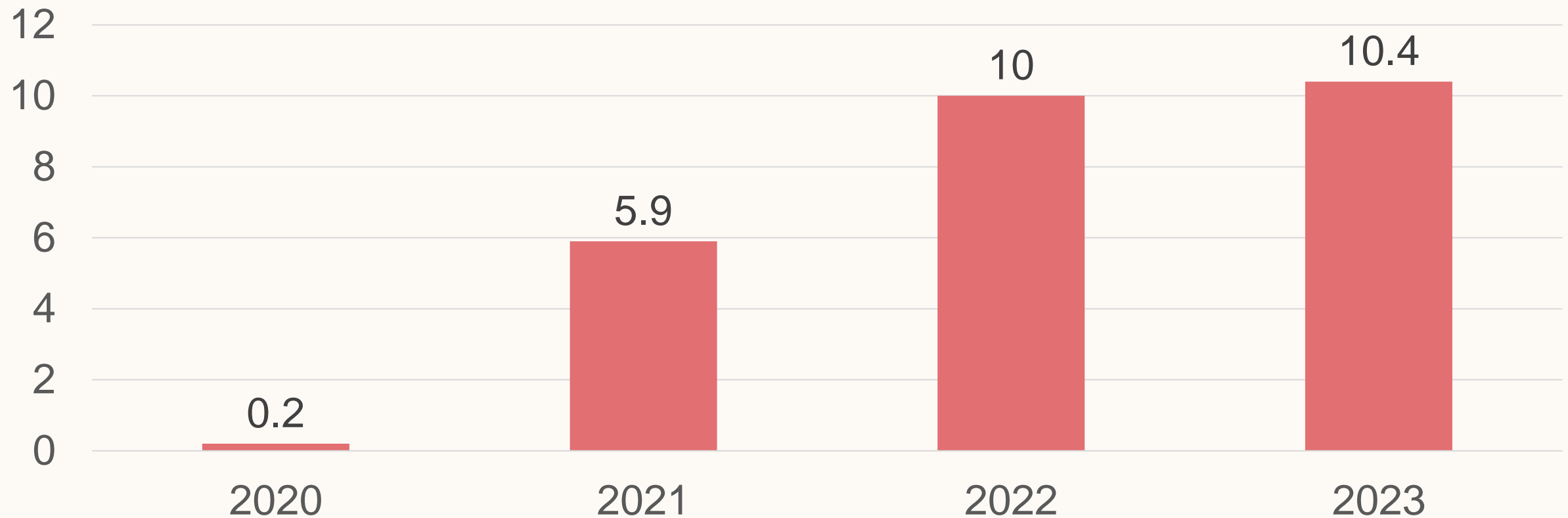


# 2023 Borrowing Plan (ZWL\$ millions)



	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
90-day	0	-	4,800	4,900	9,700
180-day	0	3,200	6,200	13,100	22,500
270-day	2,200	4,900	7,300	9,800	24,200
365-day	6,100	8,200	6,100	5,352	25,752
Total Treasury Bills	8,300	16,300	24,400	33,152	82,152
Treasury Bonds VFEX (3-7 years)	0	47,581	47,581	0	95,162
External Loans	0	385,648	8,779	3,779	398,205
<b>Total</b>	<b>8,300</b>	<b>449,529</b>	<b>80,760</b>	<b>36,931</b>	<b>575,519</b>

# Mining Sector Growth (%)





# Transfers to Lower Tiers Of Government



Entity	2023 Estimates			Indicative Estimates	
	Operational Grant	Capital Grant	Total Grant	2024	2025
<b>Provincial Councils</b>	7,820.1	11,730.2	19,550.4	28,267.2	34,050.1
<b>Local Authorities</b>	-	-	-	-	-
Bulawayo Metropolitan Province	508.9	4,579.7	5,088.5	7,357.3	8,862.5
Manicaland Province	2,138.0	19,242.3	21,380.4	30,913.2	37,237.3
Mashonaland Central Province	1,819.8	16,378.1	18,197.9	26,311.8	31,196.0
Mashonaland East Province	1,832.2	16,489.6	18,321.7	26,490.8	31,910.2
Mashonaland West Province	2,287.1	20,583.8	22,870.9	33,068.4	39,833.4
Matabeleland North Province	1,559.9	14,039.1	15,599.0	22,954.0	27,804.9
Matabeleland South Province	1,462.2	13,159.8	14,622.0	21,141.4	25,466.5
Midlands Province	2,373.4	21,360.6	23,734.0	34,316.3	41,836.6
Masvingo Province	1,877.9	16,901.5	18,779.5	27,152.6	32,707.4
Harare Metropolitan Province	1,735.9	15,623.5	17,359.4	24,699.4	29,595.9
<b>Sub-Total</b>	17,595.3	158,357.9	175,953.3	254,405.2	306,450.6
<b>Total</b>	<b>25,415.5</b>	<b>170,088.2</b>	<b>195,503.6</b>	<b>282,672.4</b>	<b>340,500.7</b>

# 2023 Vote Appropriation



	Salaries	Operations	Capital	Total
Office of the President and Cabinet	64,862.8	65,000.0	31,873.0	161,735.8
Parliament of Zimbabwe	4,370.2	28,700.0	14,750.0	47,820.2
Labour and Social Services	4,546.3	84,244.0	2,830.0	91,620.3
Defence	214,823.1	93,000.0	23,320.0	331,143.1
Finance and Economic Development	89,521.8	63,200.0	32,475.0	185,196.8
Audit Office	2,288.4	5,000.0	2,570.0	9,858.4
Industry and Commerce	1,930.4	6,700.0	7,000.0	15,630.4
Lands, Agriculture, Water, Climate and Rural Resettlement	57,245.1	144,000.0	161,275.5	362,520.6
Mines & Mining Development	3,187.5	4,900.0	4,900.0	12,987.5
Environment, Tourism and Hospitality Industry	1,739.2	7,900.0	4,560.0	14,199.2
Transport and Infrastructural Development	4,856.1	5,000.0	134,715.1	144,571.2
Foreign Affairs and International Trade	20,764.1	54,320.0	6,780.0	81,864.1
Local Government, Public Works and National Housing	12,010.9	61,105.0	25,525.0	98,640.9
Health and Child Care	336,519.2	97,989.0	39,250.0	473,758.2
Primary and Secondary Education	550,780.7	65,299.0	15,200.0	631,279.7
Higher & Tertiary Education, Science and Technology Development	108,604.5	30,105.0	17,800.0	156,509.5
Women Affairs, Community, Small and Medium Enterprises Development	5,941.8	3,600.0	9,000.0	18,541.8
Home Affairs and Cultural Heritage	199,464.8	73,345.0	20,200.0	293,009.8
Justice, Legal and Parliamentary Affairs	74,833.7	39,500.0	6,000.0	120,333.7
Information, Publicity and Broadcasting Services	1,219.9	4,300.0	3,100.0	8,619.9
Youth, Sport, Recreation, Arts and Culture	9,401.2	7,500.0	8,234.9	25,136.1
Energy and Power Development	818.3	4,100.0	10,550.0	15,468.3
Information Communication Technology, Postal and Courier Services	1,049.7	9,060.0	7,277.0	17,386.7
National Housing and Social Amenities	2,950.6	3,100.0	21,628.5	27,679.1

# 2023 Vote Appropriation (cont...)



Judicial Services Commission	10,840.8	20,300.0	6,800.0	37,940.8
Public Service Commission	62,537.2	12,000.0	5,000.0	79,537.2
Council of Chiefs	-	2,700.0	1,450.0	4,150.0
Human Rights Commission	894.6	3,010.0	836.0	4,740.6
National Peace and Reconciliation Commission	807.2	1,500.0	650.0	2,957.2
National Prosecuting Authority	3,741.4	6,500.0	1,100.0	11,341.4
Zimbabwe Anti-Corruption Commission	1,678.8	4,500.0	1,200.0	7,378.8
Zimbabwe Electoral Commission	3,448.0	96,100.0	2,100.0	101,648.0
Zimbabwe Gender Commission	805.7	1,930.0	750.0	3,485.7
Zimbabwe Land Commission	722.3	8,900.0	750.0	10,372.3
Zimbabwe Media Commission	416.4	1,300.0	900.0	2,616.4
General Reserve	0.0	50,556.2	24,150.0	74,706.2
<b>Total</b>	<b>1,859,622.8</b>	<b>1,170,263.2</b>	<b>656,500.0</b>	<b>3,686,386.0</b>
Constitutional and Statutory Appropriation	0.0	0.0	0.0	0.0
Debt Service: Interest Bill	0.0	24,967.5	0.0	24,967.5
Pension	277,497.7	0.0	0.0	277,497.7
Public Service Pension Scheme	27,936.7	-	-	27,936.7
Transfers to Councils and Local Authorities	-	-	195,503.6	195,503.6
Other Constitutional & Statutory Appropriations	34,605.8	0.0	0.0	34,605.8
Refunds of Revenue	-	50.0	0.0	50.0
Total Expenditure & Net Lending	2,199,663.0	1,195,280.7	852,003.6	4,246,947.3
Repayment of Loans	0.0	0.0	0.0	248,644.4
<b>Total Expenditure &amp; Net Lending Including Loan Repayments</b>	<b>2,199,663.0</b>	<b>1,195,280.7</b>	<b>852,003.6</b>	<b>4,495,591.7</b>





**THANK YOU**

