



ECONOMIC AND FISCAL REPORT FOR THE YEAR 2022

"2022 ANNUAL BUDGET REVIEW"

June 2023

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

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INTRODUCTION

1. This Annual Review takes stock of economic and budget performance during the year 2022 in order to foster budget transparency and in compliance with the Constitution as read together with section 7(2)(a) of the Public Finance Management (General) Regulations of 2019 and Statutory Instrument 135 of 2019 and Public Finance Management (General) (Amendment) Regulations.
2. The 2022 National Budget original provision of ZWL\$968.3 billion was revised to ZWL\$1.9 trillion through a Supplementary Budget provision of ZWL\$929 billion, in response to the increasing operational costs of Government arising from inflation and exchange rate developments, experienced during the first half of the year.
3. The budgetary adjustment was also in response to the three overlapping global shocks of the COVID-19 pandemic, the geo-political tensions and climate change impacts that drove global inflation high, especially for critical imports such as fuel, fertilizers and food.
4. The overall thrust of the 2022 Budget remained '*Reinforcing Sustainable Economic Recovery and Resilience*' with the following seven broad objectives:
 - Strengthening macro-fiscal stability;
 - Consolidating the Agriculture Food Systems Transformation Strategy that seeks to guarantee food security;
 - Advancing the policy on value chains and value addition for purposes of sustainable jobs creation and growth;
 - Enhancing public services delivery including social protection and infrastructure development;
 - Strengthening governance and anti-corruption measures;
 - Accelerating the re-engagement process; and
 - Enhancing climate change mitigation and energy security.

5. Essentially, the Budget sought to consolidate economic reforms initiated under the Transitional Stabilisation Programme (2018 - 20), strengthened through the NDS1, with particular focus on sustainable public finances, stabilisation of the economy as well as building resilience in order to stimulate domestic production, and accelerate broad based and sustainable economic growth, critical for socio-economic transformation.
6. During the year, positive strides were recorded with the economy estimated to have grown by 6.3%, higher than the original estimate of 5.5%, on account of increased output across all sectors. However, the economy faced headwinds in the form of power shortages, especially during the last two months of the year, as well as the resurgence of exchange rate and inflation instability.

ECONOMIC OVERVIEW

7. Global and domestic economic developments during the year 2022 continued to be impacted by climate change, geopolitical tensions and the COVID-19 situation in China which resulted in lower GDP outcomes than envisaged.
8. The geopolitical tensions disrupted supply chains resulting in price increases in some critical commodities such as fertilizers, fuel and food causing a general price increase across the globe and eroding aggregate demand. Inflationary containment measures by governments world-wide in the form of tightening of monetary policies impacted negatively on global economic growth.

Global Economic Developments

9. Global economic growth slowed down in 2022 from an estimate of 6.2% in 2021 to 3.4%, led by advanced economies and emerging markets both of which declined by 2.7%. The subdued growth was on account of supply shocks, elevated inflation pressures and the resultant macroeconomic policy tightening to contain price increases.

Table 1: Global Economic Outlook (%)

	2021	2022 Est
World	6.2	3.4
Advanced economies	5.4	2.7
<i>United Kingdom</i>	7.6	4.0
<i>United States</i>	5.9	2.1
<i>European Union</i>	5.3	3.5
Emerging Markets	6.7	4.0
<i>China</i>	8.4	3.0
<i>India</i>	8.7	6.8
Sub-Saharan Africa	4.7	3.9
<i>Nigeria</i>	3.6	3.3

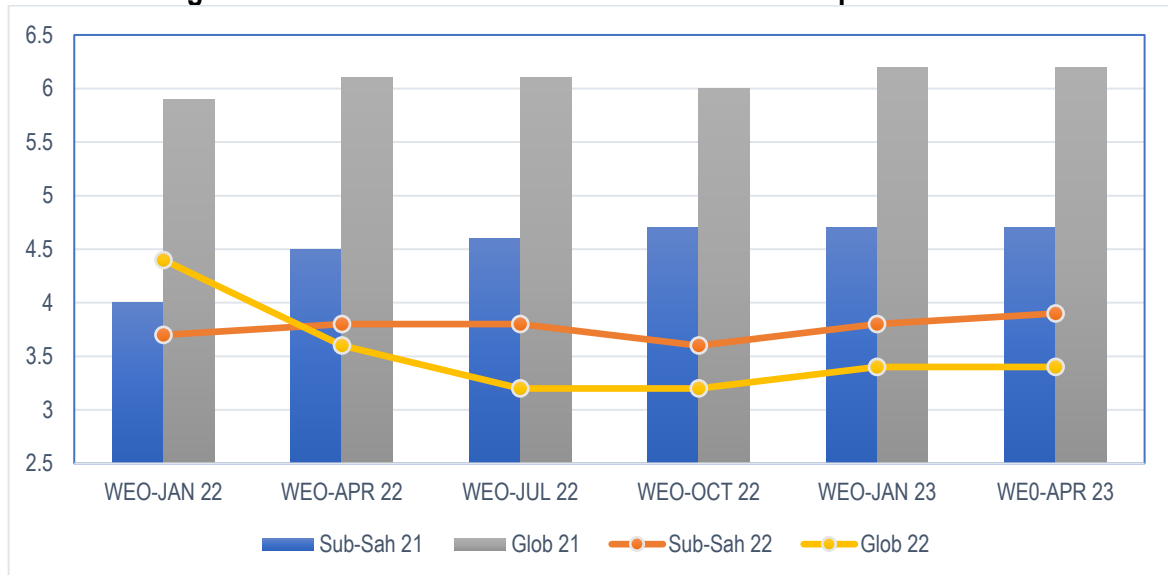
Source: IMF World Economic Outlook (WEO): April 2023 Update

10. Economic growth for emerging markets and developing countries slowed down from 6.7% realised in 2021 to 4% in 2022, mainly due to the China pandemic-induced disruptions and protracted financial stress on property market, which saw China economic growth slowing down to 3% in 2022.

Sub-Saharan Africa

11. The Sub-Saharan Africa region economic growth slowed down slightly to 3.9% from 4.7% recorded in 2021, on account of increasing global inflation, geo-political tensions and climate change impacts.
12. The positive economic growth benefited from progress with vaccines and treatments programmes which allowed Africa to record less than 2% of global cumulative COVID-19 cases (WHO) and enabled the continent reduce travel restrictions.
13. High international prices for fossil fuels and metals minimised the impact of geo-political tensions on commodity exporting countries in the region.

Figure 1: Global and Sub-Saharan Economic Developments

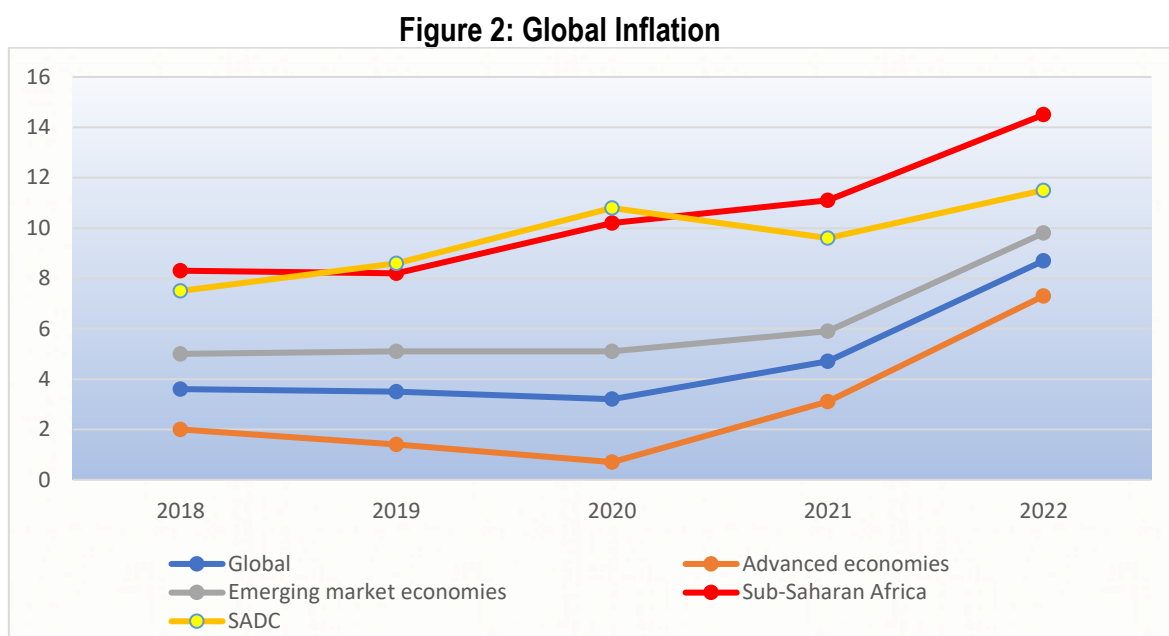


Source: IMF WEO Updates

14. Growth for the SADC region was also below expectation at 3.2%, weighed down by sluggish growth of South Africa, the major economy, which had structural constraints mainly arising from power outages.

Global Inflation

15. Global inflation has been increasing since the beginning of 2022, attributed to long-term supply disruptions, war-induced commodity price increases and policy interest rate hike pressures. Food and energy price increases in emerging markets have also contributed to the increase in global inflation.
16. As a result, global inflation increased from 4.7% in 2021 to 8.7% in 2022, well above pre-pandemic (2017–19) levels of about 3.5%.



Source: IMF: Datasets: April 2023

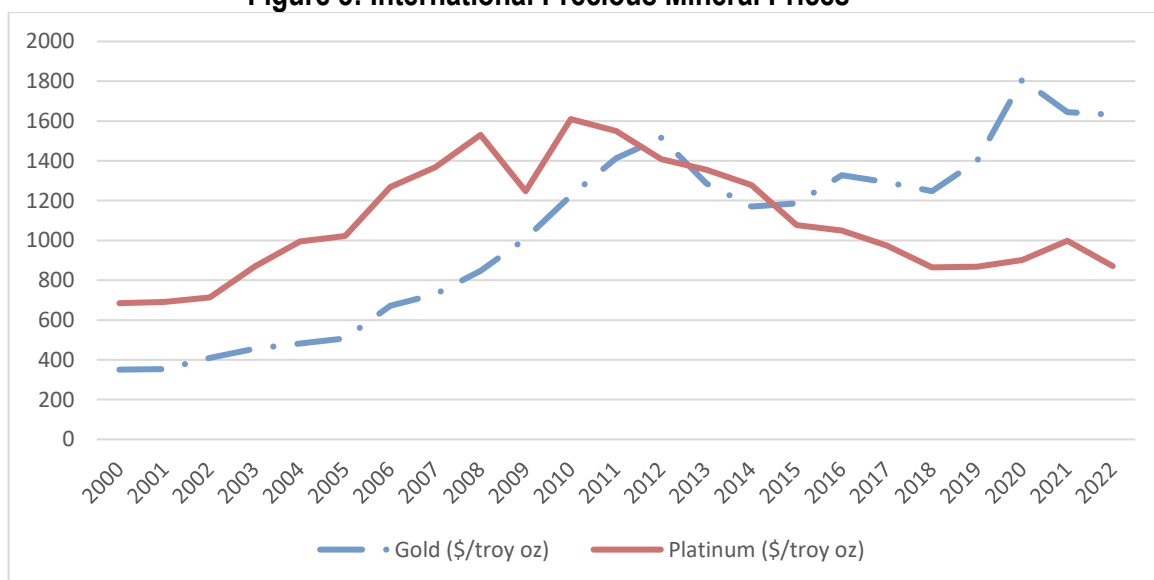
17. Advanced economies had a record high inflation of 7.3% in 2022 up from 3.1% in 2021, the highest recorded rate since 1982.
18. Emerging market economies also recorded a high inflation of 9.8% in 2022 if compared to 5.9% recorded in 2021 owing to rising food, oil and gas prices. This was variably spread across countries, with emerging and developing Asia recording relatively modest upward revision of the inflation forecast partly due to the slowdown of activity in China.
19. Inflationary pressures were also witnessed in the Sub-Saharan Africa where inflation increased to 14.5% in 2022 from 11.1% in 2021.

International Commodity Prices

20. After an impressive surge in international mineral commodity prices as the world reopened post Covid 19 pandemic, the year 2022 brought another year of positive returns on several commodities, albeit defined by high levels of volatility.

21. The surge in several commodity prices (aluminium (8%), nickel (39%), zinc (15%) as well as brent crude oil (40%) and coal (95%)) was a result of supply disruptions and fears across metals, grains and energy fuels emanating from the geopolitical tensions. The end period of the year saw commodity prices easing as United States continued to release crude oil from its strategic reserves, whilst the Russia and Ukraine agreement enabled grain and agriculture exports to resume and suppressed fears of extended supply disruptions in some commodities.
22. Precious mineral prices receded from 2021 record high price levels by 9% and 13% for gold and platinum prices, respectively. Retreat in commodity prices was a result of improvements in confidence, allowing economic agents to opt for alternate assets, easing demand of precious minerals as safe havens.

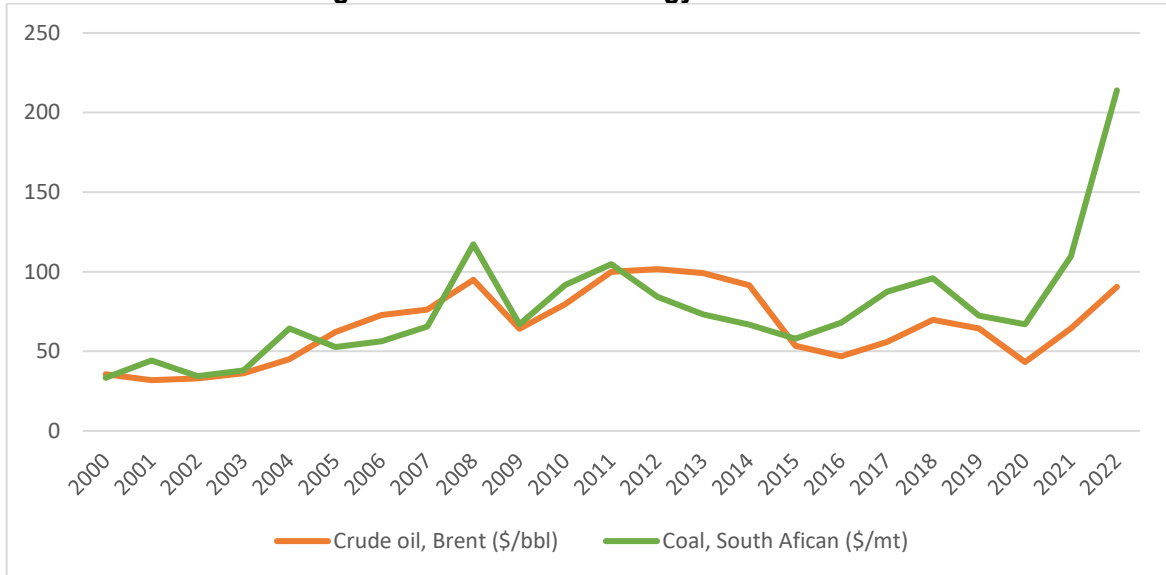
Figure 3: International Precious Mineral Prices



Source. World Bank

23. Energy prices in 2022 were volatile with more scattered returns yet with buoyant upward trajectory. Brent crude oil increased by 40%, whilst coal prices registered an outsized 95% increase in 2022.

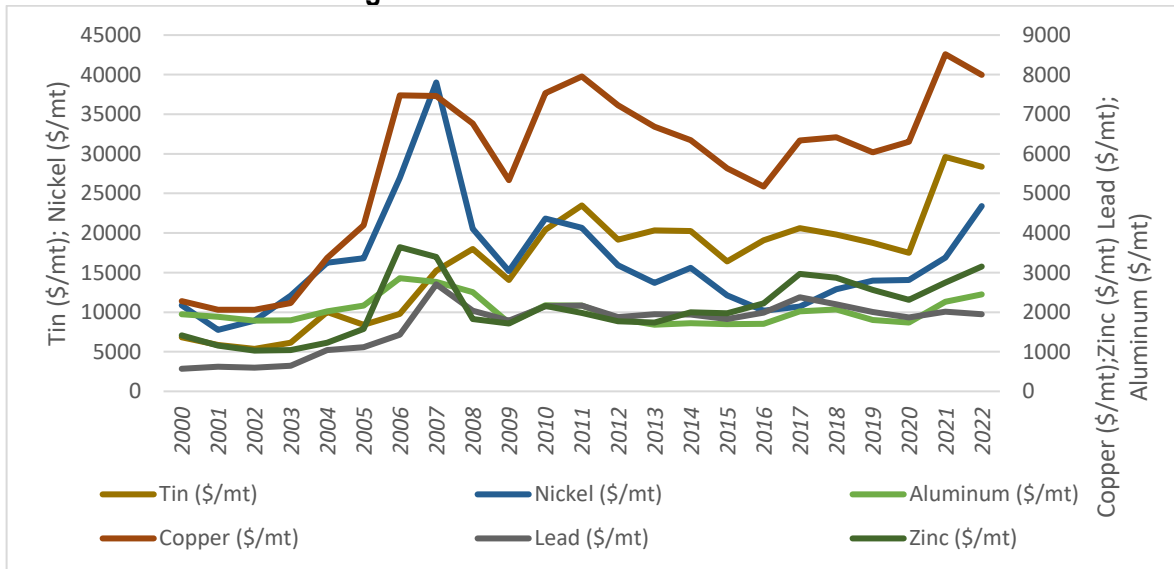
Figure 4: International Energy Prices



Source. World Bank

24. In 2022, China's extended lockdowns slowed down the country's manufacturing and industrial capabilities contributing to easing of commodity prices such as copper (-6%), lead (-3%), tin (-4%), iron ore (-26%).

Figure 5: Industrial Metal Prices



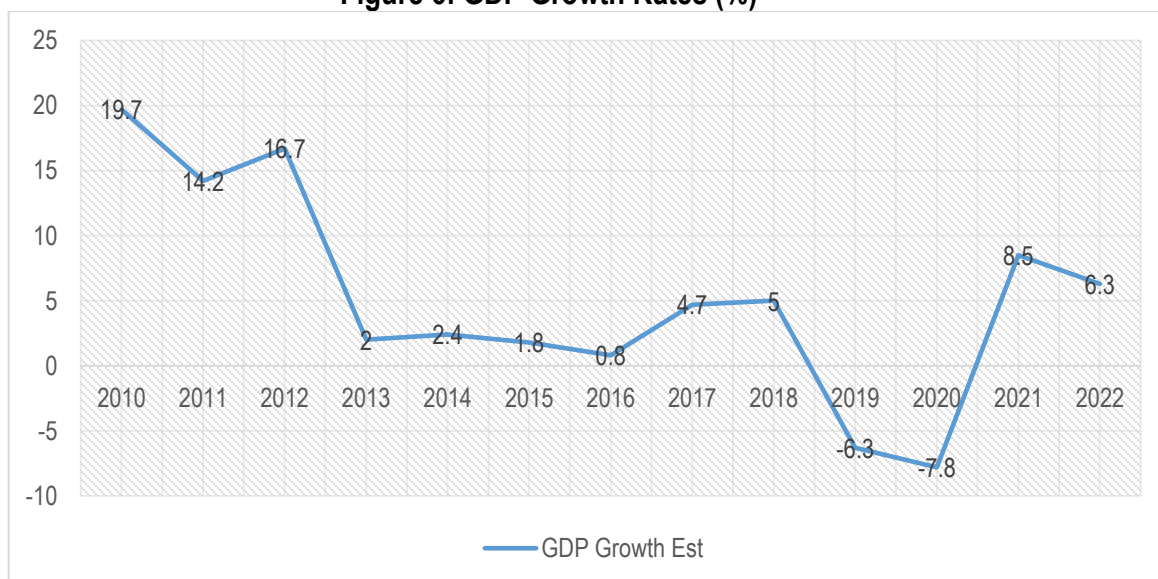
Source. World Bank

25. However, lithium prices registered a further increase of 72.5% in 2022 in addition to 442.8% increase recorded in 2021, as a result of growth in demand for the metal in the aftermath of calls for climate friendly and clean energy sources.
26. The increase in demand for lithium and nickel is as a result of the growing global push towards electric vehicles with several countries beginning to phase out gasoline and diesel vehicles.

Domestic Economic Developments

27. The domestic economy is estimated to have grown by 6.3% in 2022, driven by strong performance in mining activities and services sectors. This growth estimate also takes into account official GDP estimates published by ZIMSTAT for the years 2020 and 2021, which inherently impact the projections through the base effect.

Figure 6: GDP Growth Rates (%)

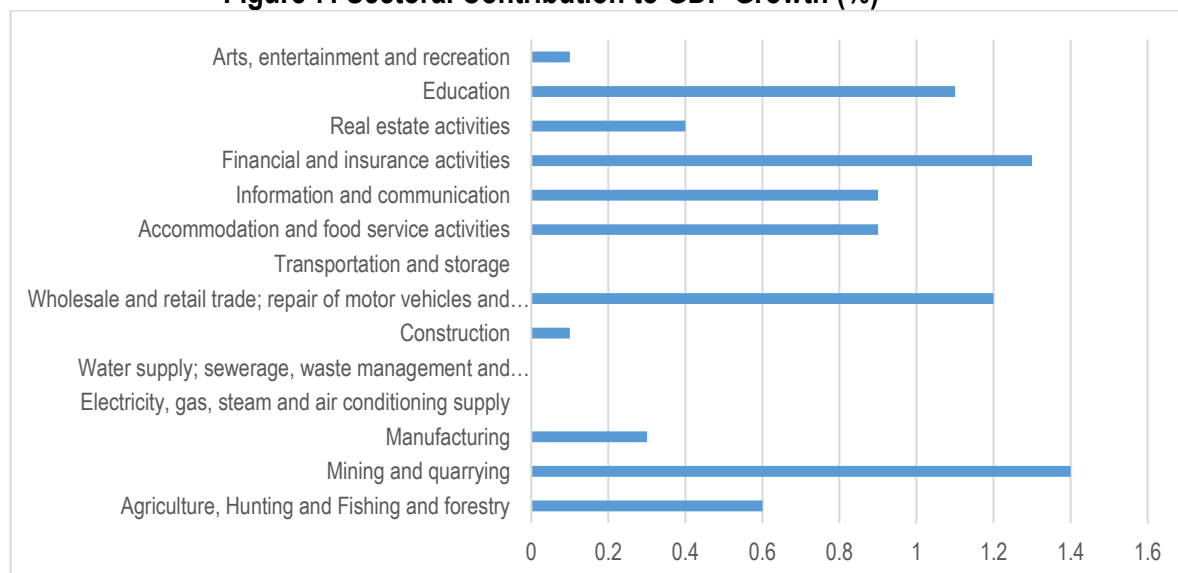


Source: MoFED, RBZ & ZIMSTAT

28. Mining activities are estimated to have contributed 1.4% to GDP growth followed by financial insurance activities and wholesale contributing 1.3% and 1.2%, respectively. On the other hand,

agriculture contributed a modest 0.6% to overall growth owing to a higher base effect achieved during the previous year when the sector grew at unprecedented levels.

Figure 7: Sectoral Contribution to GDP Growth (%)



Source: MoFED, RBZ & ZIMSTAT

29. The year 2022 was generally characterised by favourable though declining international mineral commodity prices and subdued COVID-19 pandemic. However, exchange rate and inflation instability in the first half of the year, as well as energy supply constraints towards the end of the year, compromised economic performance. This was compounded by geo-political tensions which affected supply chains, and increased prices of critical imported products like fertilizers, fuel and food.

SECTORAL DEVELOPMENTS

30. Major sectors of the economy recorded positive economic growth as envisaged, led by services sectors and mining activities.

Table 2: Sectoral GDP Growth (%)

	2021	Orig Proj 2022	Est 2022
Agriculture, Hunting and Fishing, and forestry	17.5	5.1	4.9
Mining and quarrying	5.9	8.0	10.7
Manufacturing	1.2	5.5	2.1
Electricity, gas, steam, and air conditioning supply	33.9	5.4	0.1
Water supply; sewerage, waste management	12.7	4.8	1.0
Construction	3.5	17.4	1.9
Wholesale and retail trade	8.1	4.3	6.1
Transportation and storage	8.5	3.0	1.5
Accommodation and food service activities	38.5	18.8	66.9
Information and communication	9.8	2.4	15.7
Financial and insurance activities	3.0	5.4	17.3
Real estate activities	4.1	1.7	11.8
Professional, scientific and technical activities	-3.1	2.8	-2.9
Administrative and support service activities	14.6	2.0	-10.1
Education	5.8	2.9	39.4
Human health and social work activities	18.6	5.5	-1.7
Arts, entertainment and recreation	14.0	3.1	10.7
Other service activities	-2.8	1.2	-1.0
Domestic Services	2.3	4.5	3.9
GDP at Market Prices	8.5	5.5	6.3

Source: ZIMSTAT & MoFED

Agriculture

31. The agriculture sector was initially projected to grow by 5.1%, however, the sector is estimated to have grown by 4.9% in 2022, on account of normal to above normal rainfall received in some parts of the country during the 2021/2022 agricultural season, timely distribution of inputs under the various Government supported programmes and improved availability of inputs on the open market.

Table 3: Agriculture Sector Output: (000 tonnes)

	2021 Est	2022 Rev.
Overall	17.5	4.9
Tobacco (flue-cured)	211	213
Maize	2717	1453
Beef	81	94
Cotton	125	56
Sugar cane	4350	4341
Horticulture	99	99
Poultry	184	172
Groundnuts	211	128
Wheat	337	375
Dairy (m lt)	96	110
Soybeans	54	82
Pork	12.2	15
Sorghum	183	194
Barley	40	39

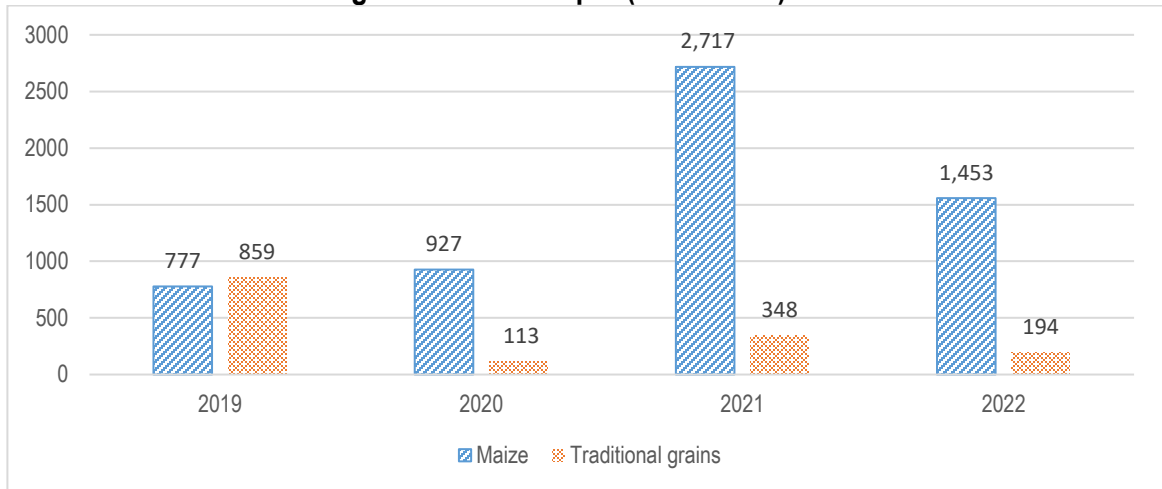
Source: MOFED, RBZ & ZIMSTAT

32. Livestock farming were, however generally affected by theileriosis disease that broke out in most parts of the country. Notwithstanding the outbreak, there was a general increase in livestock slaughters for cattle, pigs, sheep, and goats.

Grains

33. Maize output for the 2021/22 cropping season is estimated at 1.5 million tonnes, 47% down from 2.7 million tonnes produced in the 2020/21 season. An additional 194 100 tonnes of traditional grains were harvested, bringing the total grain output to 1.6 million tonnes, available for human and livestock requirements.
34. Drought-resistant crops, including sorghum, finger millet, and other traditional grains also decreased by 44% compared to the previous year.

Figure 8: Grain Output (000 tonnes)



Source: Ministry of Lands, Agriculture, Water, Fisheries and Rural Resettlement

35. During the 2022 marketing season, 179 411 tonnes of maize and 42 843 tonnes of small grains were delivered to the Grain Marketing Board and grain stacks under the Strategic Grain Reserve (SGR) ended the year at 233 828 tonnes.

Wheat

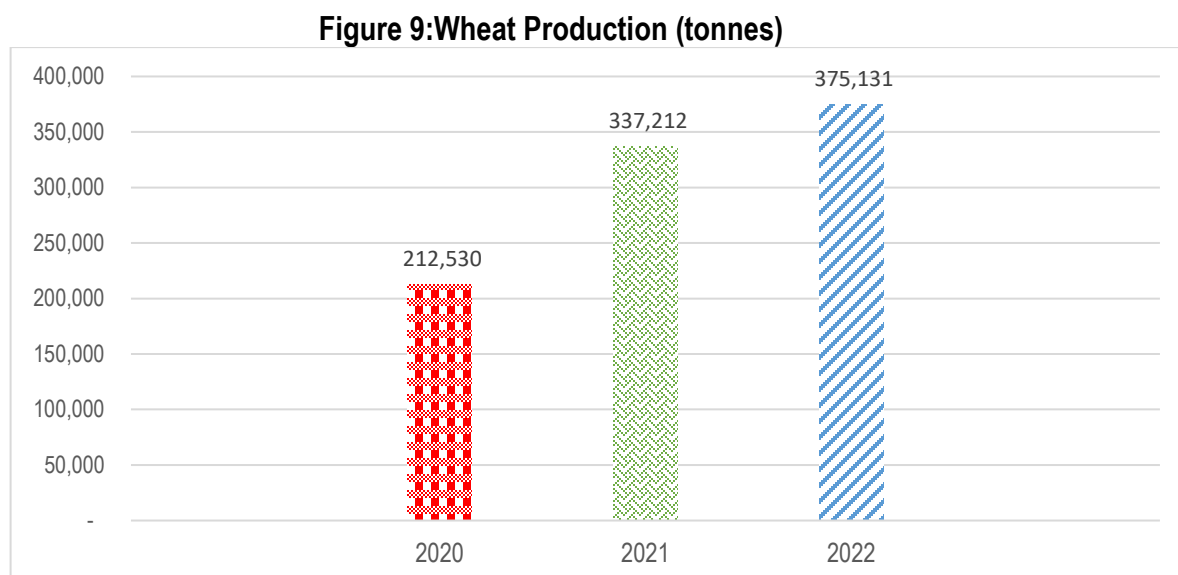
36. The complementarity between Government and the private sector in supporting domestic wheat production resulted in a record level of wheat output of 375 131 tonnes, an 11.2% increase from 337 212 tonnes harvested in 2021.

Table 4: Wheat Production 2022

Province	Area Planted (Ha)	Ave Yield t/ha	Production(t)
Mashonaland West	27,714	4,9	134,981
Mashonaland Central	14,888	4,6	66,923
Mashonaland East	12,728	4,5	56,833
Manicaland	9,224	4,8	39,303
Midlands	9,423	6,0	56 808
Masvingo	2190	2,8	6,303
Matabeleland North	2,860	3,0	3,408
Matabeleland South	1,858	4,1	10,845
Total	80,883	4,8	375,131

Source: Ministry of Lands, Agriculture, Fisheries, Water, Climate and Rural Resettlement (MLAFWCRR)

37. Mashonaland West province dominated wheat output, producing 134 981 tonnes followed by Mashonaland Central province at 66 923 tonnes, whilst Matabeleland North province had the least output at 3 408 tonnes.



Source: Ministry of Lands, Agriculture, Fisheries, Water, Climate and Rural Resettlement (MLAFWCRR)

38. As a result, at least 87 007 tonnes of premium wheat and 62 245 tonnes of standard wheat had been delivered to the Grain Marketing Board by 31 December 2022.

Tobacco

39. The 2022 tobacco marketing season ended on 21 October 2022 with deliveries to the floors standing at 212.7 million kgs, at an average price of US\$3.06/kg. As a result, total earnings from tobacco selling season amounted to about US\$650.4 million, a 10.3% increase compared to the previous year.

Table 5: Flue-Cured Tobacco sales as at 21 October 2022

	Non - contracted	Contracted	Total 2021	Total 2022	% Change
Mass sold (kgs)	12,589,088	200,122,282	211,100,219	212,711,370	0.76
Value (US\$)	40,288,373	610,020,161	589,573,827	650,380 534	10.3
Avg.price (US\$)	3.2	3.05	2.79	3.06	9.47

Source: TIMB

40. A total of 131 656 hectares of land was put under tobacco under the 2022/23 farming season compared to 110 770 hectares planted during the same period in 2021/22. The increase in the area planted is expected to result in a further increase in tobacco output.

Table 6: Tobacco Area Planted (Ha) by Province

Province	2022/2023	2021/2022	% Change
Manicaland	18,911	22,831	17
Mashonaland Central	41,291	29,769	39
Mashonaland East	20 883	16,687	25
Mashonaland West	50,225	41,225	22
Masvingo	30	27	11
Matabeleland North	10	6	67
Midlands	276	225	23
Total	131,656	110,770	19

Source: TIMB

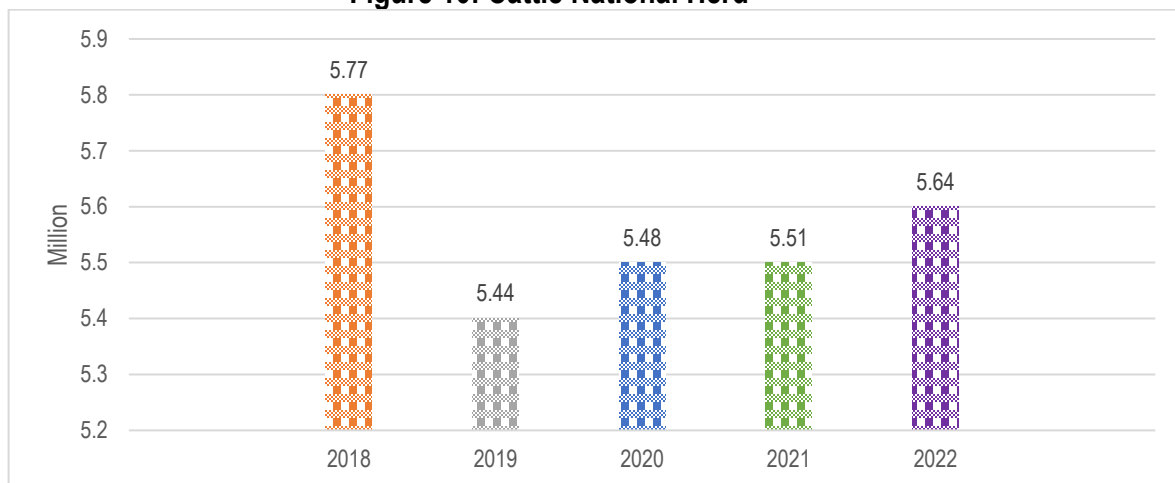
Livestock

41. Fiscal outlays towards livestock farming activities amounted to ZWL\$15.5 billion, targeting vaccinations and veterinary extension services aimed at minimising mortality and improvement in livestock condition.

Beef

42. During the year 2022, the national cattle herd recorded a growth of 2% from 5.51 million in 2021 to 5.64 million.

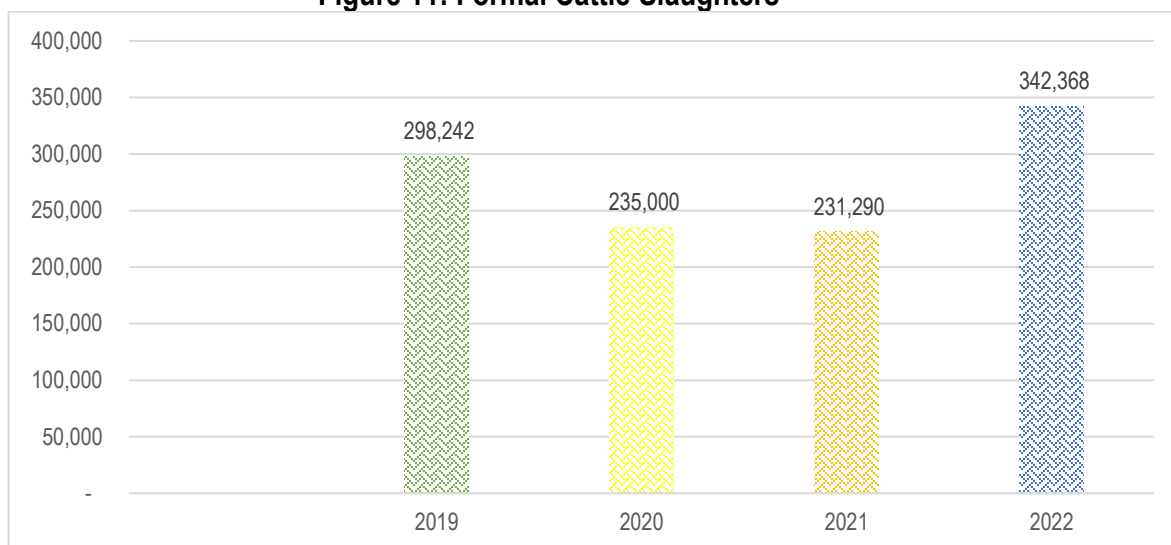
Figure 10: Cattle National Herd



Source: MLAWRD

43. Growth of the national herd was partly due to the reduction in cattle mortality from 9% to 6%, attributed mainly to intensified efforts of disease control programmes by Government, combined with a fairly good pasture. Such interventions were aimed at improving animal health management, especially control of tick-borne diseases in hot spot areas which were contained through intensive dipping cycles.
44. Specific interventions to enhance livestock production and productivity were on the following, among others:
- Presidential Blitz Tick-Grease Scheme;
 - Tsetse eradication;
 - Laboratory diagnostics for animal disease screening and confirmation;
 - Local production of animal vaccines;
 - Cattle Genetic Improvement; and
 - Artificial insemination.
45. The growth of the herd combined with a decline in mortality ensured an increase in cattle slaughtered for beef by 48% to 342 368 from 231 290 cattle slaughtered during the previous year.

Figure 11: Formal Cattle Slaughters



Source: MLAWRD

Presidential Silage Programme

46. During the year, Government initiated a programme to enhance the quality of livestock through the provision of appropriate stock feed. In this regard, the Government distributed inputs to farmers to grow the necessary plants critical for the preparation of high-nutrient stock feeds that improves livestock productivity, as well as increase milk production.
47. During 2022/2023 season, the Silage Programme input package included the following items:
- 50 kg maize seed or 20 kg sorghum seed;
 - 250 kg basal fertilizer;
 - 250 kg top dressing fertilizer;
 - 1 litre herbicide; and
 - 2 kg tick grease.
48. At least 80% of the 1 979 small-scale dairy farmers target beneficiaries received the inputs through the Presidential Silage Programme.

Table 7: Presidential Silage Inputs Distribution by Province

	Target Beneficiaries	Input Distribution Statistics							
		Maize/Sorghum (MT)		Basal Fertilizer (MT)		Top dressing (MT)		Tick grease (KG)	
		Maize Distributed	Sorghum Distributed	Target	Distributed	Target	Distributed	Target	Distributed
Mash West	215	6.39	1.17	53.75	31	53.75	20.5	430	43
Mash Central	316	7.65	0	79	25	79	0	632	0
Mash East	377	5.1	0.84	94.25	28.08	94.25	26	754	241,071
Manic	664	32.2	8.74	166	131	166	49.75	1328	374
Midlands	266	9.25	0	66.5	46.25	66.5	46.25	532	0
Masvingo	44	2.105	0	11	10.55	11	10.5	88	86
Mat North	20	0.47	0.185	5	0.75	5	3.2	40	0
Mat South	77			19.25	0	19.25	0	154	0
Total	1,979	65.2	10.9	494.8	272.6	494.8	156.2	3,958	744.1

Source: MLAWRD

Tick Grease Blitz Programme

49. Government introduced a programme to fight the January disease and strengthen farmers knowledge and skills in livestock health to enhance productivity. The programme included intensive cattle dipping programme mostly in the rainy season in order to reduce tick-borne diseases burden and deaths.
50. During the period under review, Government distributed 1.1 million kilograms of tick grease, 21.8% more than the previous year. Each stock owner (cattle owner) in the communal areas received 1 kg of tick grease, whilst stock owners in the Theileria hit areas got 2 kg each.

Table 8: Tick Grease Blitz Program

PROVINCE	TICKGREASE UNITS DISTRIBUTED (KG0)	Delivered to GMB depots date
	Phase one 2021	Phase two 2022
Manicaland	178,152	192,352
Mashonaland Central	78,135	71,408
Mashonaland East	138,925	161,749
Mashonaland West	140,673	135,811
Matabeleland North	88,932	93,309
Matabeleland South	64,893	81,671
Midlands	168,867	207,499
Masvingo	210,423	357,977
Totals	1,069,000	1,301,776

Source: MLAWRD

51. Cumulatively, 766 334 stock owners benefitted from the Programme, a slight decrease of 3% from 790 317 stock owners who benefitted under phase 1 during the previous year.

Presidential Rural Poultry Programme

52. The Presidential Rural Poultry Programme is one of the various climate-proof programmes being implemented by Government to promote rural development and industrialisation, boost nutrition security, as well as rural incomes. The Programme also seeks to build the resilience of rural communities to climate change effects, as well as technology adoption. It was launched in August 2022, targeting 3 million households from all the ten provinces.
53. During the year 2022, 367 777 chicks were distributed across the country together with an input package comprising ten 4-week-old chicks and a vitamin stress mix sachet.

Table 9: Presidential Rural Poultry Program

Province	No of Chicks
Manicaland	32,000
Mashonaland Central	39,003
Mashonaland East	64,851
Mashonaland West	66,300
Matabeleland North	31,668
Matabeleland South	25,550
Midlands	23,964
Masvingo	46,210
Harare	27,094
Bulawayo	11,137
Total	367,799

Source: MLAWRD

54. Mashonaland West, Mashonaland East, and Masvingo provinces benefited the most getting 66 300, 64 851, and 46 210 chicks, respectively, whilst Bulawayo and Harare received the least.

Presidential Goat Scheme

55. The Presidential Goat Scheme seeks to accelerate Rural Development 8.0 by distributing goats with improved genetics across the country and ensuring the overwhelming majority of rural households, especially the elderly, women-headed families, people with disabilities, and youth-headed families are able to graduate into the commercial sector.
56. During the year 2022, 4 149 goats were distributed, comprising of 1 901 bucks and 2 248 does as indicated in the table below.

Table 10: Presidential Goat Scheme Distribution

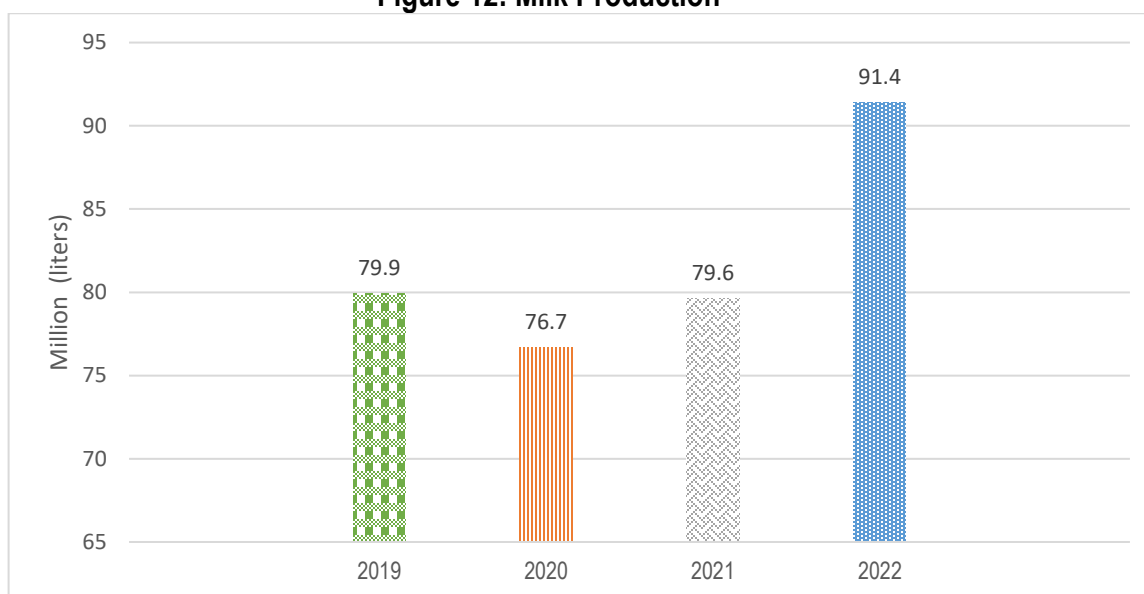
Province	Goats Distributed		Total
	Does	Bucks	
Manicaland	564	1,386	1,950
Mash Central	116	78	194
Mash East	399	156	555
Mash West	407	79	486
Mat North	143	31	174
Mat South	107	43	150
Midlands	370	20	390
Masvingo	142	108	250
Total	2,248	1,901	4,149

Source: MLAWRD

Milk

57. The national dairy herd grew by 11.3% to 35 100 in 2022, attributable to both public and private sector investments aimed at enhancing cow productivity, increasing the number of heifers, as well as capacitation through procurement of the necessary capital equipment.

Figure 12: Milk Production



Source: MLAWRD

58. As a result, milk production increased significantly by 14.8% to 91.4 million litres compared to the previous year. This is against an annual demand of 120 million litres and the balance is met through imports.

Support Towards Extension Services

59. During 2022, Government expended ZWL\$11.1 billion towards extension services, mainly targeted at capacitating extension workers with mobility and communication systems in the form of vehicles, motorbikes, and computer tablets to enhance their effectiveness.
60. In addition, Government also improved the conditions of service and sharpen the skills of extension workers through training in order to meet the changing needs of the agriculture sector.

2022/23 Agriculture Season Preparations

61. The 2022/23 agriculture season preparations were supported by Government, private sector and development partners through Pfumvudza, NEAPS, and ARDA, as well as other programmes.

Table 11: Government Supported Programmes

Crop	Targeted Area (Ha)	Targeted Area (Ha)				
		Pfumvudza	NEAPS	Private Sector	ARDA	Self-Financed
Maize	1,940,969	367,924	205,000	40,000	17,278	1,310,767
Soya beans	71 627	0	25,000	35,000	0	11,627
Sunflower	153,710	124,615	5,000	0	5,880	18,215
Sorghum	402,569	191,806	2,000	12,000	1,880	194,883
Pearl Millet	251,321	126,577	0	0	0	124,744
Groundnuts	347,134	83,065	0	0	0	264,081
Cotton	277,986	277,001	0	0	985	0
Total		1,318,665	237,000	87,000	26,023	1,668,688

Source: MLAWRD

62. Under the Pfumvudza/ Intwasa Programme, vulnerable smallholder farmers received maize seed, sorghum seed, soybean seed, and pearl millet seed, as indicated in the table below.

Table 12: Climate Proofed Presidential Inputs Programmes

Product	Inputs Distributed (kgs)	No of Beneficiaries
Maize Seed	18,702	1,870,192
Sugar bean Seed	791	158,269
Soyabean Seed	1,279	255,823
Sorghum Seed	3,812	762,305
Pearl Millet Seed	786	392,871
Wheat Seed	282	140,988
Sesame Seed	5	1,000
Groundnuts Seed	508	101,530
Sunflower Seed	340	169,972
Compound D	96,728	1,934,557
Agriculture lime	1,164	23,284
Top Dressing	61,526	1,230,514
Demise (Fall armyworm Chemical)	451,372	451,372
Knapsack Sprayers	197,756	197,756
Vegetable seeds	1,910,111	1,910,111

Source: MLAWRD

63. Government also supported cotton production through Cottco, with Midlands, Mashonaland Central, and Mashonaland West provinces recording the highest number of cotton growers at 123 248, 83 110 and 81 648, respectively.

Table 13: Cotton Pfumvudza Inputs

Province	Growers	Seed(kgs)	Basal Fertilizer(kg)	Lime (kg)
Midlands	123,248	1,888,146	5,936,670	0
Mashonaland West	81,648	1,031,610	6,703,250	0
Mashonaland Central	83,110	1,807,112	5,068,190	12,500
Mashonaland East	19,299	200,820	1,052,300	730,700
Masvingo	56,494	986,915	3,691,400	842,8765
Manicaland	29,809	536,721	1,883,250	0
Matabeleland North	7,056	112,515	529,880	525,000
Matabeleland South	743	7,710	66,100	0
Total	401,407	6,571,549	24,930940	2,110,965

Source: MLAWRD

64. Most of the farmers received the inputs on time, enabling early planting.

The 2022/23 Rain Season Developments

65. The 2022/2023 season was marked by an early onset of the rains in most parts of the country, except for Mashonaland provinces which experienced a rather late onset of the season. The earliest effective rains were received towards the end of November in the central and northern parts of the country, with the southern parts of the country experiencing rains from the third week of December. Almost all of the country experienced seasonal rains in the normal category, although isolated spots in the country's south received above average.
66. Cyclone Freddy, which formed in the Indian Ocean in late January 2023, brought heavy rains and strong winds to the Eastern parts of the country, causing damage to crops and infrastructure, triggering landslides and mudslides in some areas, displacing people. While incessant rains were received in most parts of the country during the month of January, some parts of Manicaland, Masvingo, Matabeleland South, and Matabeleland North provinces generally remained dry.

67. As a result, the area planted for most crops increased, except for rice, sorghum and cotton.

Table 14: Crop Area (Ha) Planted

Crop	2022/23	2021/22	Change (%)
Maize	1,962,575	1,903,668	3
Sorghum	319,759	344,882	-7
Pearl Millet	180,661	157,634	15
Finger Millet	33,208	21,242	56
Groundnuts	331,262	261,758	27
Soyabean	55,944	51,488	9
Sugar bean	61,718	57,453	7
Sunflower	140,940	45,586	209
Bambara nuts	131,421	120,203	9
African peas	83,410	79,685	5
Sweet potato	32,353	27,860	16
Rice	1,227	3,913	-69
Paprika	1,615	885	82
Sesame	27,537	17,452	58
Cotton	178,863	182,559	-2
Tobacco	131,656	110,770	19
Total	3,674,149	3,387,038	8

Source: MLAWRD

Irrigation

68. Overall support towards the National Accelerated Irrigation Development and Rehabilitation Programme during the year 2022 amounted to ZWL\$11.6 billion, mainly in support of the following irrigation programmes:
- Development of 21 irrigation projects through the Turnkey Phase 1 programme wherein to date 16 projects covering 1,005 ha out of the target of 1,592 ha have been completed and construction works are ongoing on 5 projects covering 432 ha;
 - Turnkey Phase 2 which is targeting 5,415 ha of land on 32 projects, 3 projects covering 350 ha having been completed whilst works are in progress on 4 projects covering 552 ha;

- Pedstock Center Pivot Facility where a total of 61 pivots have been delivered out of a target of 80. A total of 52 pivots have been installed with 47 of them now irrigating a combined area of 2,020 ha out of the targeted 2,900 ha;
- Smallholder Irrigation Revitalisation Program (SIRP) being co-funded by the Government and IFAD where 2,800 ha are now irrigating out of the targeted 6,100 ha; and
- Completion of feasibility studies and detailed designs for 10 out of 21 projects under the Green Climate Fund.

Romsely Irrigation Scheme: Makoni District



Mining

69. The mining sector is estimated to have grown by 10.7%, marginally higher than the initial projection of 10% in 2022, largely driven by an increase in output of gold (18%), platinum (12%), coal (29%), rhodium (10%), diamonds (15%), with lithium recording the highest increase of 236%. Mining activities were spurred by relatively higher international mineral commodity prices during the year.

Table 15: 2022 Mining Production Statistics

	2021	Proj 2022	Act 2022
Overall Growth	5.9%	10.0%	10.7%
Black Granite \t	226.31	247.07	392.4
Chrome \t	1,432.00	1897.57	1109.79
Coal \t	3,246.00	3500.00	4185.41
Gold \kg	31,477.20	36000.00	37265.24
Nickel \t	16,213.00	16800.00	14259.73
Palladium \kg	12,619.20	13088.78	13934.58
Phosphate \t	39,819.00	29592.40	21910.20
Platinum \kg	14,732.40	15605.00	16459.88
Rhodium \kg	1,333.50	1390.19	1461.11
Ruthenium \kg	1,249.20	1332.84	1341.47
Diamonds	4,224.30	4700.00	4844.01

Source: MoFED, MOMMD

70. However, chrome and nickel recorded huge declines of 23%, 12%, respectively.

Table 16: Growth in Mining Production Statistics

	2022	2021	% Change
Gold (kgs)	37,265	31,477	18%
Platinum (kgs)	16,460	14,732	12%
Palladium (kgs)	13,935	12,619	10%
Diamonds (cts)	4,844,019	4,224,301	15%
Chrome (MT)	1,109.79	1,432	-23%
Nickel (MT)	14,260	16,213	-12%
Coal (MT)	4,185,417	3,246,011	29%
HCFC (MT)	369,931	310,776	19%
Lithium (MT)	102,420	30,502	236%

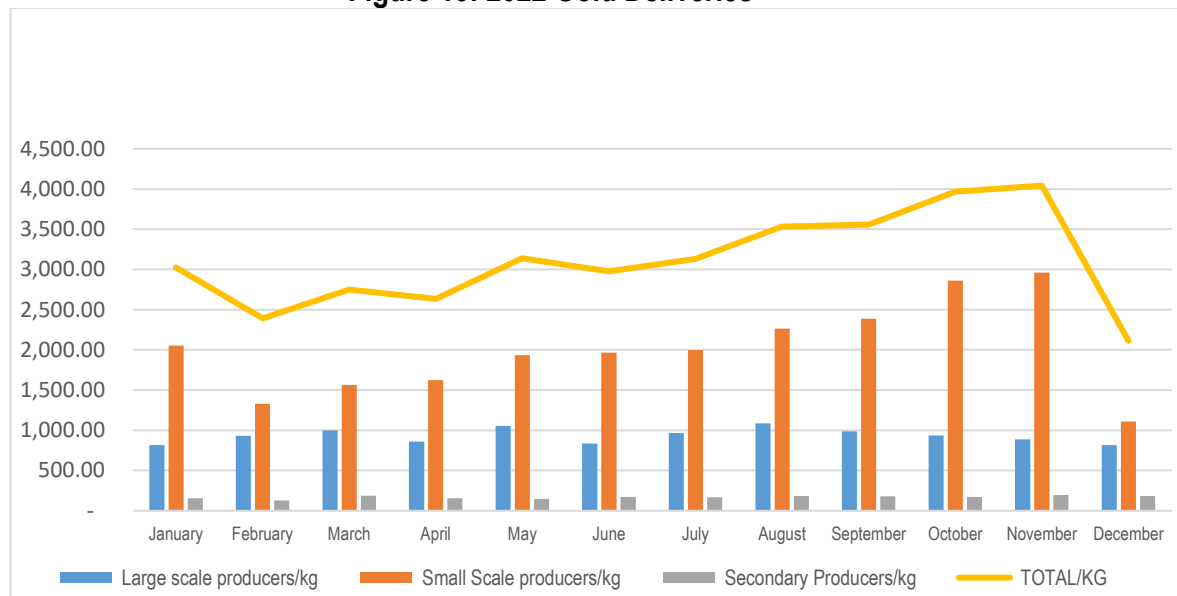
Source: Ministry of Mines and Mining Development, FGR

71. Capacity utilisation in the mining industry increased to 81% in 2022, from 80% recorded in 2021, driven by growth in capacity utilisation in gold sector from 80% to 85% and coal sector from 65% to 80%, whilst PGM sector maintained its operations at full capacity.
72. This level of growth is a significant milestone towards the attainment of a US\$12 billion mining industry by 2023, underpinned by enhanced mineral exploration, investment and productivity, as well as greater value addition and beneficiation.

Gold

73. Bullish international gold prices, together with domestic incentives, propelled gold production to reach 37 265 kgs during the year against a target of 36 000 kgs. Small-scale producers were leading on output, contributing 64.6%, followed by large-scale producers at 30%, with the secondary producers at 5.4%.

Figure 13: 2022 Gold Deliveries



Source: Ministry of Mines and Mineral Development

74. However, production levels were compromised towards year-end owing to increased power outages and the commencement of the rainy season.

PGMs

75. In 2022, the Platinum Group of Metals (PGMs) namely, platinum, rhodium, palladium, and ruthenium exceeded targets and the 2021 output level by 12%, 10%, 10%, and 7%, respectively.

Table 17: PGM Output

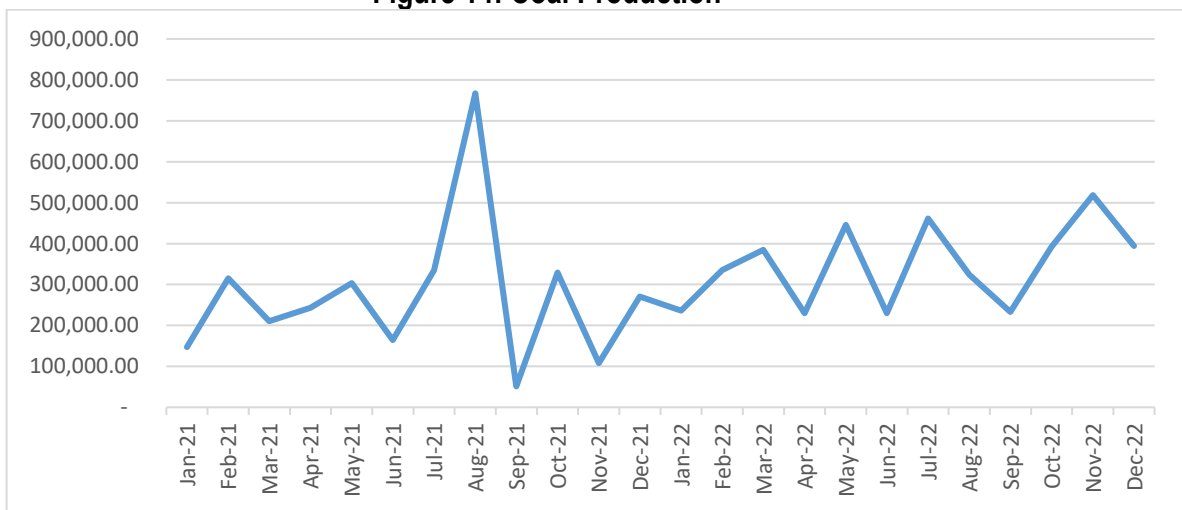
Mineral	Projected 2022	Actual 2022	Variance
Platinum \kg	15605.00	16459.88	5%
Rhodium \kg	1390.19	1461.11	5%
Ruthenium \kg	1332.84	1341.47	0.6%

Source: Ministry of Mines and Mineral Development

76. Higher output in PGMs benefitted from the ongoing investment in mine development and exploration, improvement in operational efficiency, as well as an increased concentrator and smelting capacity.
77. Furthermore, expansion of the production levels through the development of new projects such as Mupani Mine and Bimha Mine redevelopment, have also improved PGMs output.

Coal

78. Coal output recorded a significant increase during the year under review, registering a 29% increase relative to the previous year. The growth was largely due to ramping up of production at Hwange Colliery following investments in efficient equipment and machinery in the first half of 2022. The equipment and machinery include excavators, loaders, and continuous miners, as well as the entrance of new coal mining companies (ZZCC, Dinson and Turbo Mining).

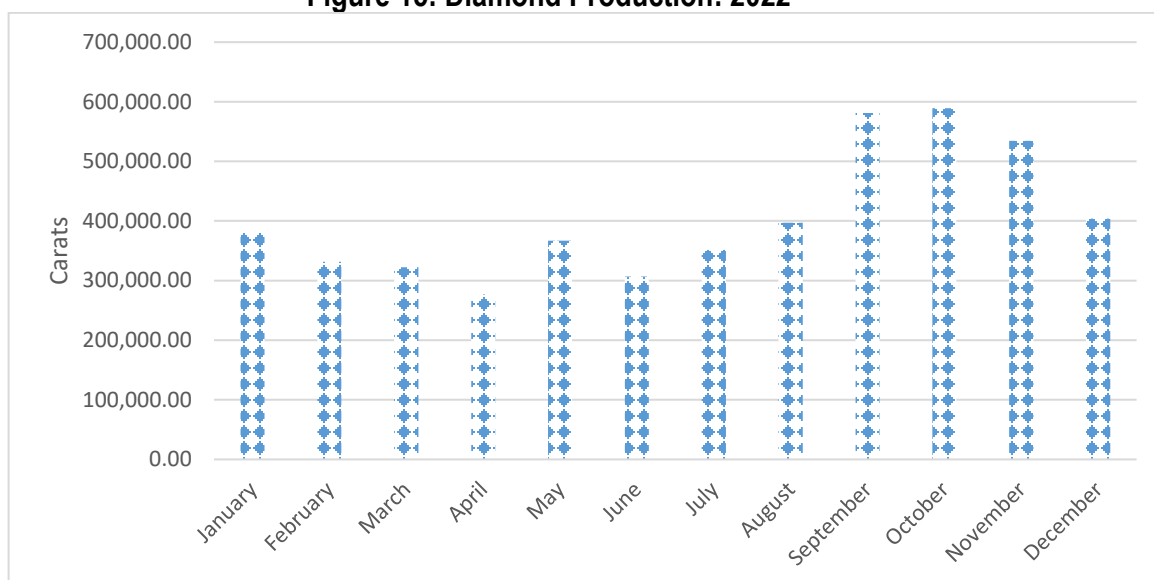
Figure 14: Coal Production

Source: Ministry of Mines and Mineral Development

Diamond

79. Diamond output increased by 15% during 2022, compared to the 2021 output, mainly on account of increased investments in the sector.

Figure 15: Diamond Production: 2022



Source: MoMMD

80. Output was boosted by the procurement and concomitant commissioning of a 450 tonnes per hour metallurgical process plant and expansion of operations from alluvial operations to conglomerate ore processing at Zimbabwe Consolidated Diamond Mining Company (ZCDC).

Lithium

81. Lithium ore production in 2022 is estimated at 102 420 tonnes, rising significantly from 30 337 tonnes produced in 2021. Domestic lithium mining is largely being driven by rising global demand in the manufacture of batteries for electrical vehicles, among other uses.

82. The demand has propelled significant capital injections in the country's lithium sector, estimated to have the largest reserves in Africa. In this regard, lithium output is expected to gradually increase over the coming years.

Amendment of the Mines and Mining Act

83. Significant strides were made on the amendment of the Mines and Mining Act as the Bill was approved by Cabinet during the year. This Bill will replace the Mines and Minerals Act [Chapter 21:05] in order to achieve the following, among others:
- Establish the Mining Cadastre Register and Registry and to reduce the classes of Mining Titles;
 - Regulate the activities of prospectors more closely and to confine their activities to specific areas defined by grids;
 - Remove the distinction between precious metal and base metal claims and to abolish the extra-lateral rights which holders of precious metal claims enjoy at present;
 - Provide for mining title to be granted in the form of a mining lease, where the title extends over four or more contiguous blocks;
 - Require holders of mining rights to work their claims rather than allowing them to preserve their title by paying annual fees;
 - Require miners to participate in funds and to make other provision to meet the cost of restoring the environment when their mining operations come to an end; and
 - Convert certain special grants into mining leases.
84. The Bill is expected to be gazetted and tabled before the August House and subsequently enacted into law during the year 2023.

Mining cadastre

85. Support to the tune of ZWL\$67.6 million was disbursed for the rolling out of the Cadastre Mining System, which provides instant and up-to-date information on mining claims status including ownership.
86. The pilot phase in Manicaland Provincial Mining Office saw the completion of system designs and configurations of the prototype system now awaiting server configuration and was undergoing system testing by the end of the year under review.

Manufacturing

87. The manufacturing sector continued on a recovery path during the year 2022, with an estimated growth of 2.1% from 1.2% recorded in 2021, attributable to increased output in the drinks, tobacco & beverages and wood & furniture subsectors.

Table 18: Volume of Manufacturing Index

Manufacturing	2019	2020	2021	2022
Growth Rate (%)	14.5	-18.5	1.2	2.1
Foodstuffs	109.4	100.6	108.0	109.4
Drinks, Tobacco and Beverages	76.6	71.2	80.0	93.0
Textiles and Ginning	90.6	91.5	93.9	82.0
Clothing and Footwear	26.8	27.0	28.4	27.0
Wood and Furniture	214.4	208.0	211.1	215.0
Paper, printing and Publishing	90.1	72.1	73.5	78.0
Chemical and Petroleum Products	76.3	83.9	92.5	90.0
Non-metallic mineral products	130.2	134.1	120.0	115.0
Metals and Metal products	59.7	58.5	62.5	66.0
Transport, Equipment	56.6	57.3	65.0	66.0
Other manufactured goods	95.2	95.5	96.0	96.2
Manufacturing Index	87.4	84.7	89.4	91.2

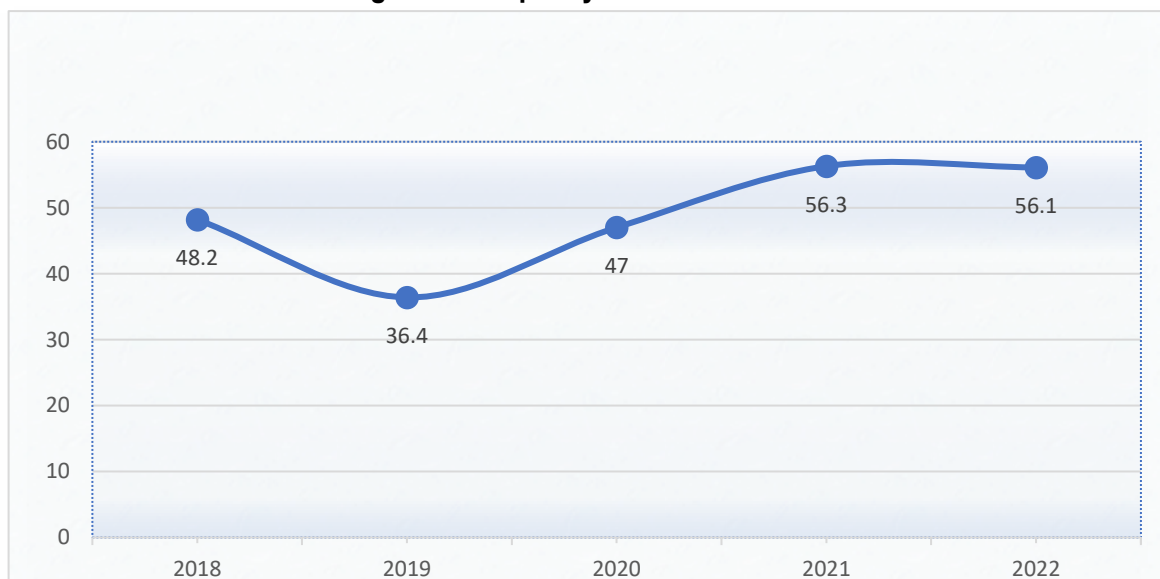
Source: MoFED, ZIMSTAT & RBZ

88. The turnaround was also alluded to increased investments in the sector. Significant investment was recorded in new and expansion projects, particularly, in the Foodstuffs, Drinks, Tobacco and Beverages, as well as Metals and Metal Products sub-sectors. SI 121 of 2022 which zero rates

the importation of manufacturing equipment contributed to the technological advancement in the sector.

89. The availability of foreign currency at the auction system saw 70% of funds allocated on the system going towards raw materials and equipment. To date, a cumulative US\$4 billion has been disbursed on the auction system since the inception of the auction.
90. The positive performance is also supported by a relatively higher capacity utilization, which however, moderated slightly by 0.2 percentage points to 56.1% in 2022, down from 56.3% in 2021. The drinks, tobacco and beverages sub-sector had the highest capacity utilization of 69% whilst all other sub-sectors had capacity utilization of around 50%. Textiles & ginning and clothing & footwear recorded noticeable decrease in capacity.

Figure 16: Capacity Utilization



Source: CZI

91. The clothing and footwear industry was hit hard by cheaper imports as consumers prefer both imported second-hand and new products. The shoe industry is estimated to have a national demand of 14 million pairs/year and yet in 2022, the industry produced 4 million pairs; with the balance being met through imports.

92. Cumulative manufactured exports earnings increased by 15.5% during the year to US\$203.1 million from US\$175.8 million realised in 2021, driven by rising exports of cigarettes and electrical products. The sector also recorded an increase in employment levels by 13% in 2022 compared to an increase of 5% registered in 2021.
93. Low competitiveness and high market development costs, however, continues to weigh down on the manufacturing sector.

Value Chains

94. Localization of value chains continued to gain momentum following the repealing of S.I 98 of 2022 on exemption of duty on imports while the local industry begun to benefit from the utilization of Special Drawing Rights (SDRs) which have been set aside for Retooling for New Equipment and Replacement under the Value Chain Revolving Fund (REVCRF).

Tourism

95. While the impact of the COVID-19 pandemic was felt throughout the tourism industry, the year 2022 marked a positive turn around for the sector domestically. Tourist arrivals grew by 174% with over 1 million tourists having entered the country during the period under review, up from 380,820 arrivals in 2021 mainly from Africa and Europe.

Table 19: Tourist Arrivals 2022/21

	2022	2021	% point change	
Tourist Arrivals				
Overseas	350,500	111,456	214%	
Africa	693,281	269,364	157%	
Total	1,043,781	380,820	174%	

Source: Zimbabwe Tourism Authority

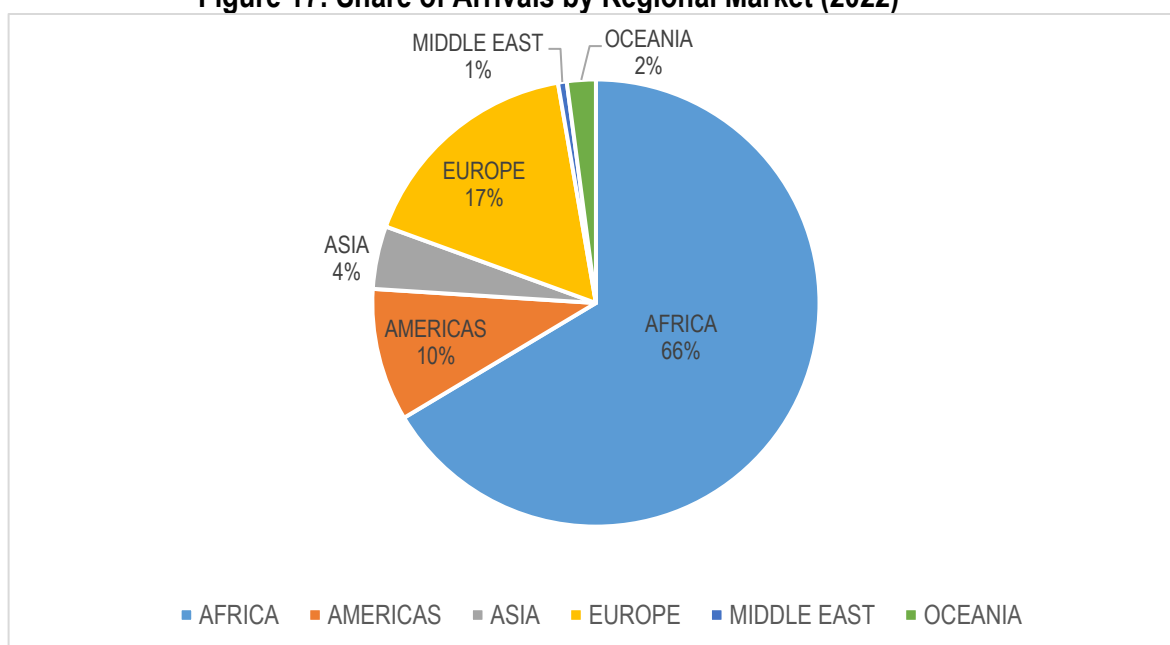
Table 20: Tourist Arrivals by region 2022/21

	2022	2021	% Change	
AFRICA	693,281	269,364	157%	▲
AMERICAS	100,112	20,739	383%	▲
ASIA	47,453	12,634	276%	▲
EUROPE	174,544	69,815	150%	▲
MIDDLE EAST	6,593	1,002	558%	▲
OCEANIA	21,798	7,266	200%	▲
TOTAL	1,043,781	380,820	174%	▲

Source: ZTA, Immigration Department

96. Tourist arrivals were largely driven by regional arrivals which rose by 157% from 269,364 in 2021 to 693,281 in 2022, whilst European arrivals increased from 69,815 in 2021 to 174,544 in 2022.



Figure 17: Share of Arrivals by Regional Market (2022)



Source: ZTA (2022)

97. The African continent was the biggest source market for the country's foreign tourists, contributing about 66% of the total arrivals, followed by Europe at 17% and America at 10%.

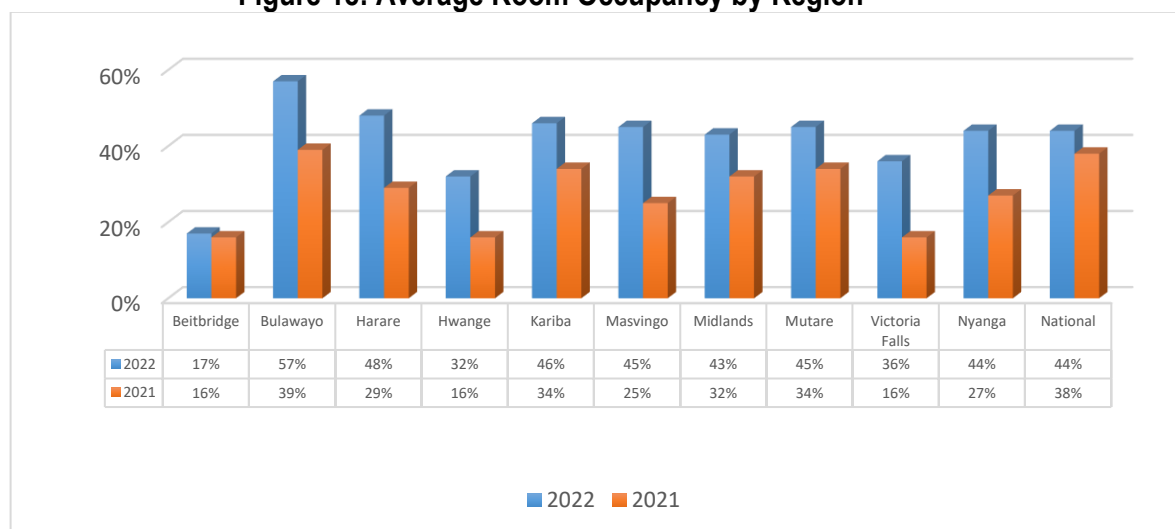
Table 21: Tourism Investments and Receipts: US\$ Million

	2022	2021	% Change
Investments in Tourism	312.5	142.1	120% 
Tourist Receipts	911	397	129% 

Source: Zimbabwe Tourism Authority (2022)

98. To accelerate recovery from the COVID-19 pandemic, the players in the tourism sector continued to invest in the refurbishment of the tourism and hospitality infrastructure estimated to have increased by 120% from US\$142.1 million in 2021 to US\$312 million in 2022.
99. The national average hotel room occupancy rate rose from 38% in 2021 to 44% in 2022, attributable to the increase in demand for accommodation from domestic clientele. All the regions in the country recorded positive results. The Bulawayo region recorded the highest percentage of average room occupancies (57%) followed by Harare (48%) and Kariba (46%). The Beitbridge region remains with suppressed average room occupancies, recording 17%.

Figure 18: Average Room Occupancy by Region



Source: Zimbabwe Tourism Authority

100. Consequently, the tourism industry is estimated to have generated about US\$911 million during the year 2022, a 129% increase from US\$397 million recorded in 2021.

Electricity

101. Electricity generation during the year 2022 stood at 8 829GWh, falling short of the target by 9.6%. Output was within the target during the first ten months of the year before drastically fall during the last two months owing to generational challenges induced by low water levels at Kariba Dam.

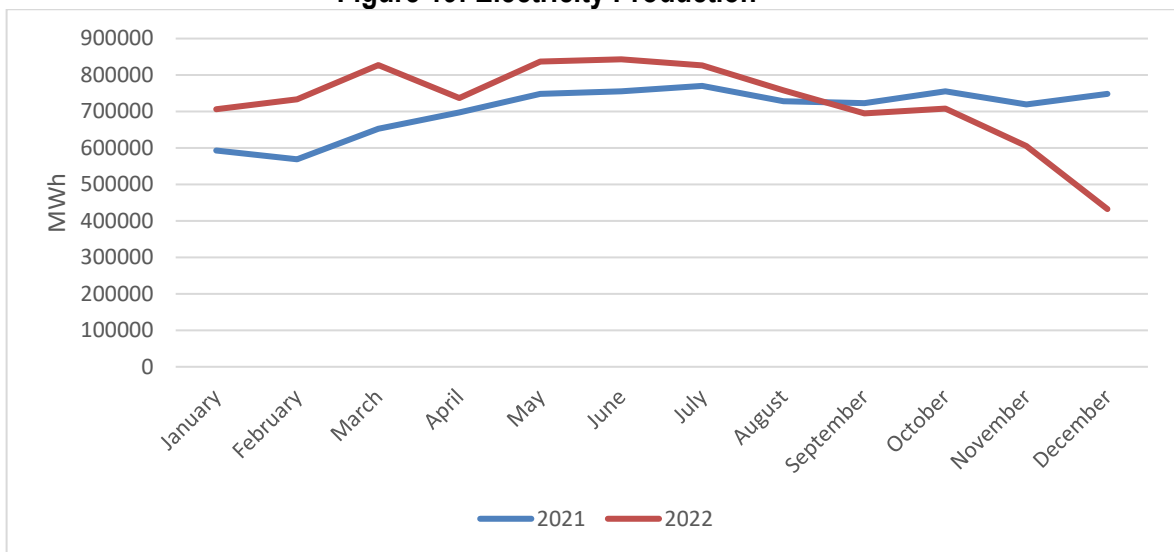
Table 22: Electricity Generation (GWh)

	2021	2022 Proj	2022 Act
January	571	684	684
February	548	694	694
March	629	792	792
April	683	604	698
May	741	821	797
June	748	868	806
July	763	879	818
August	722	850	751
September	718	830	690
October	752	758	705
November	715	760	598
December	741	760	417
IPP	128	376	382
Total	8461	9673	8829
Growth rate %	34.3	14.3	4.3

Source: MoMMD/MoFED/ZIMSTAT

102. The Zimbabwe Power Company (ZPC) missed its 9 111GWh annual energy sent out target for the year 2022 by 7.29% on account of rationing of water at Kariba Hydro Power Station, incessant breakdown of aged units at the Hwange Power Station, whilst the small thermal stations also failed to attain scheduled generation levels as a result of continuous plant challenges, as well as limited coal supplies which led to a reduction in power generation.

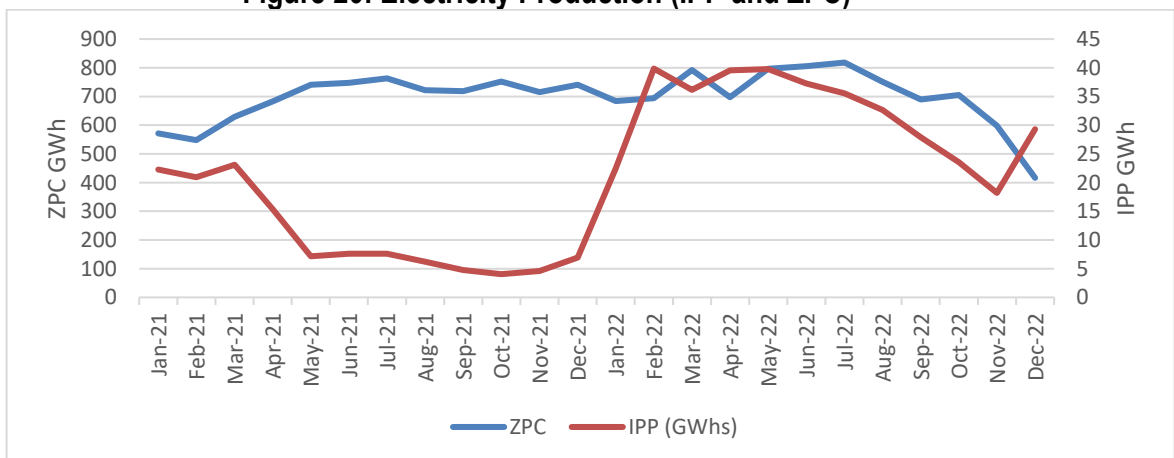
Figure 19: Electricity Production



Source: ZETDC

103. Generation capacity constraints were also compounded by suboptimal tariffs which compromised critical maintenance works, the procurement of critical spares and chemicals for the water treatment plant, among others.
104. Notwithstanding, the annual output surpassed the 2021 output level by 4.3% attributable to better performance during the better part of the year augmented by ramping up of electricity generation by Independent Power Producers.

Figure 20: Electricity Production (IPP and ZPC)



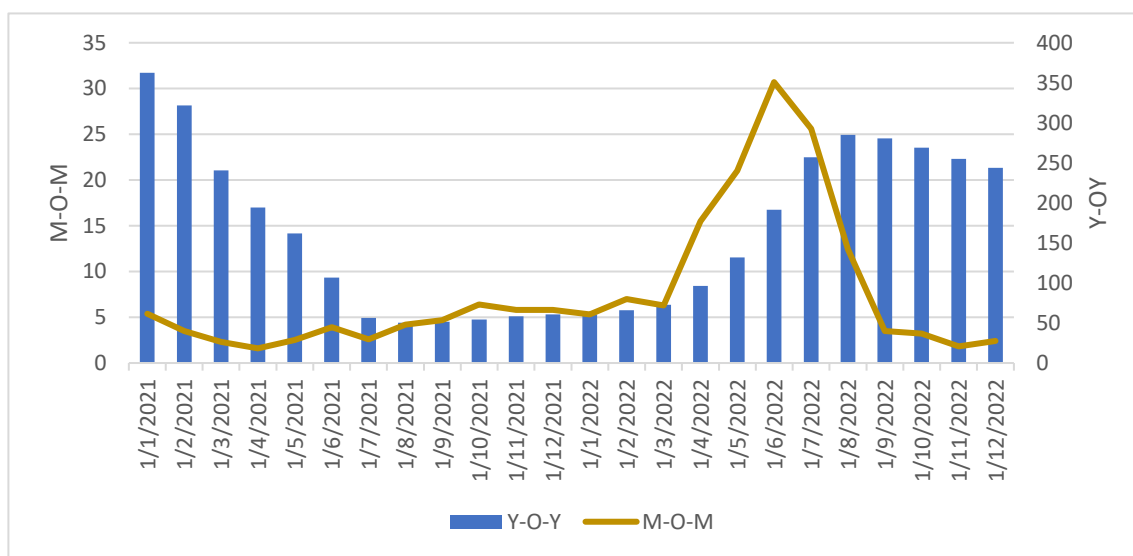
Source: ZETDC

105. To enhance electricity distribution, resources amounting to US\$3 million were disbursed from the African Development Bank towards the ongoing works on the construction of the 85 km long, 132 KV Alaska-Karoi Power Transmission line.

Inflation Developments

106. During the first six months of the year 2022, the country witnessed inflationary pressures, with month-on-month inflation increasing from 5.3% in January 2022 to a peak of 30.7% in June. Similarly, year on year inflation increased from 60.6% in January to 285% in August.

Figure 21: 2022 Weighted Month on Month and Year on Year Inflation

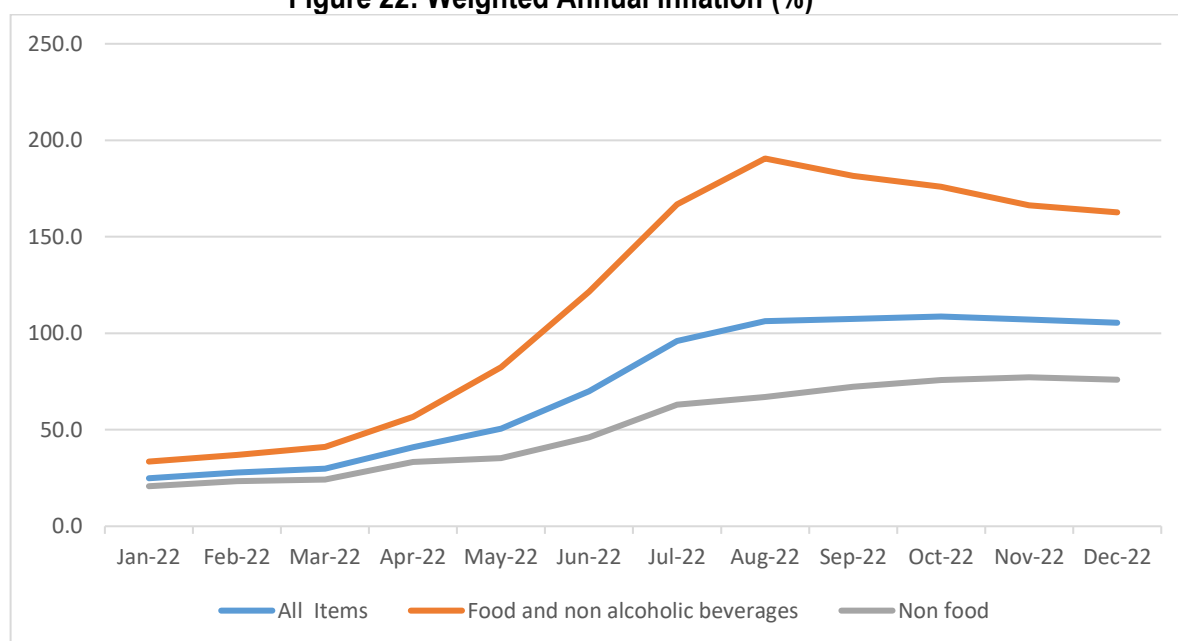


Source: ZIMSTATS

107. The upward trend in inflation was on account of money supply growth, adverse inflation expectations, excessive local currency depreciation on the parallel market and external factors. External factors, specifically, geopolitical tensions affected domestic prices for food, fuel and fertilizers.

108. In order to curb the rising inflation, Government and the Central Bank responded by tightening both fiscal and monetary policies. Some of the interventions included increased due diligence exercise in Government procurement processes to ensure value for money, the introduction of gold coins to mop up excess liquidity and the raising of interest rates, among other policies. This has resulted in deceleration of inflation, especially during the second half of the year.
109. As a result, the average month on month inflation stood at 11.2% compared to an average of 4% in 2021. Similarly, year on year inflation was higher averaging 183.1% in 2022 compared to 143.3% in 2021.
110. In the same vein, blended (weighted ZWL\$ and USD prices) monthly inflation increased from an average of 1.9% in 2021 to 6.3% in 2022, indicating general prices for goods and services in combined currencies.

Figure 22: Weighted Annual inflation (%)



Source: ZIMSTATS

111. In terms of provinces, Manicaland province had the highest inflation followed by Masvingo averaging 212.4% and 198.5%, respectively, whilst Midlands province recorded the lowest inflation at 151.7% in 2023.

Table 23: Average Provincial Year on Year inflation

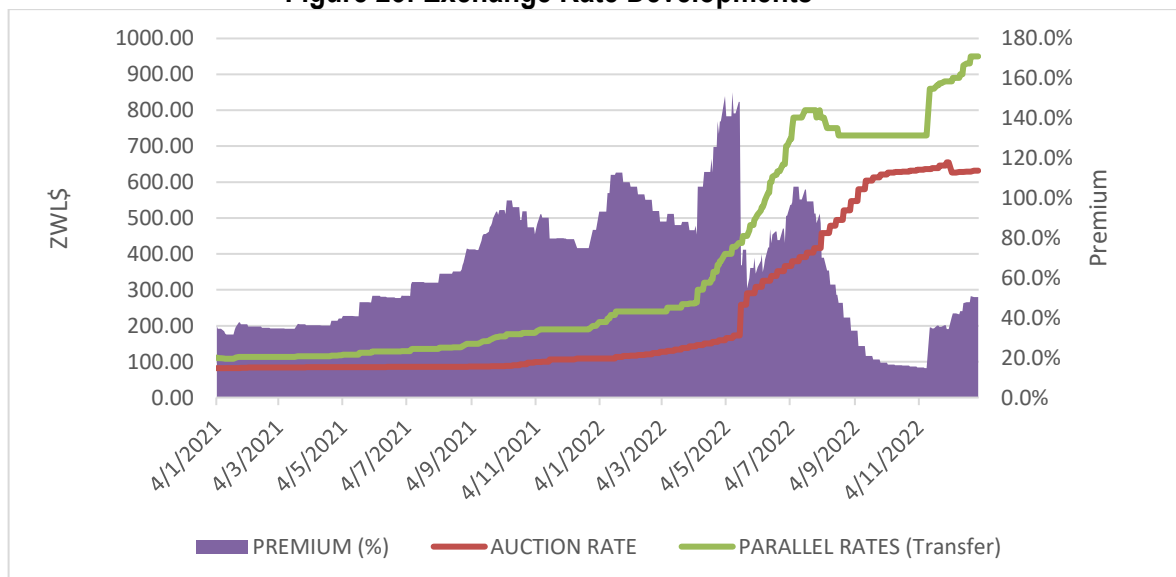
Bulawayo	Manicaland	Mash Central	Mash East	Mash West	Mat North	Mat South	Midlands	Masvingo	Harare
165.8	212.4	192.4	172.8	176	165.6	168.6	151.7	198.5	194.2

Source: ZIMSTAT

Exchange Rate Developments

112. On average, the premium between the auction exchange rate and parallel market rate increased by 12% from around 58.3% in 2021 to about 70.3% in 2022. The widening gap of the parallel market premium was partly attributed to sentiment driven general market indiscipline by the market players.

Figure 23: Exchange Rate Developments



Source: RBZ

113. During the year, the premium reached a peak of 150% and retreated to lower levels owing to raft of measures introduced by Government during the second half of the year.

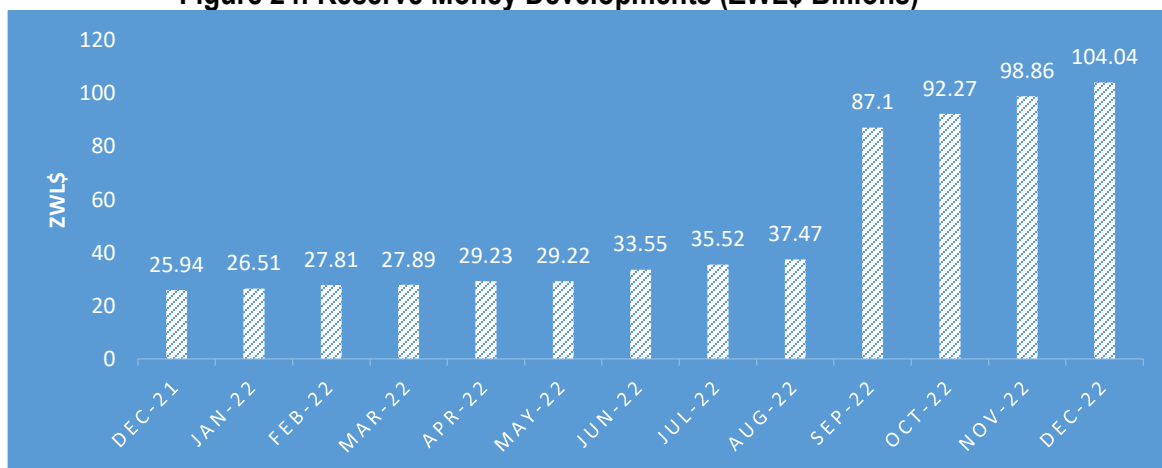
FINANCIAL SECTOR DEVELOPMENTS

114. The financial sector was generally sound and stable during the year 2022, with the banking sector adequately capitalised and within the desired liquidity levels, as well as low levels of non-performing loans.

Reserve Money Developments

115. The reserve money stock stood at ZWL\$104.04 billion as at 31 December 2022, up from ZWL\$25.94 billion on December 31, 2021. The increase was primarily on account of introduction of statutory reserves on foreign currency accounts (FCA) deposits, which began on September 1, 2022.
116. As a result, the local currency equivalent of the statutory reserves rose in response to changes in the exchange rate causing significant increase in reserve money, especially during the fourth quarter of 2022.

Figure 24: Reserve Money Developments (ZWL\$ Billions)



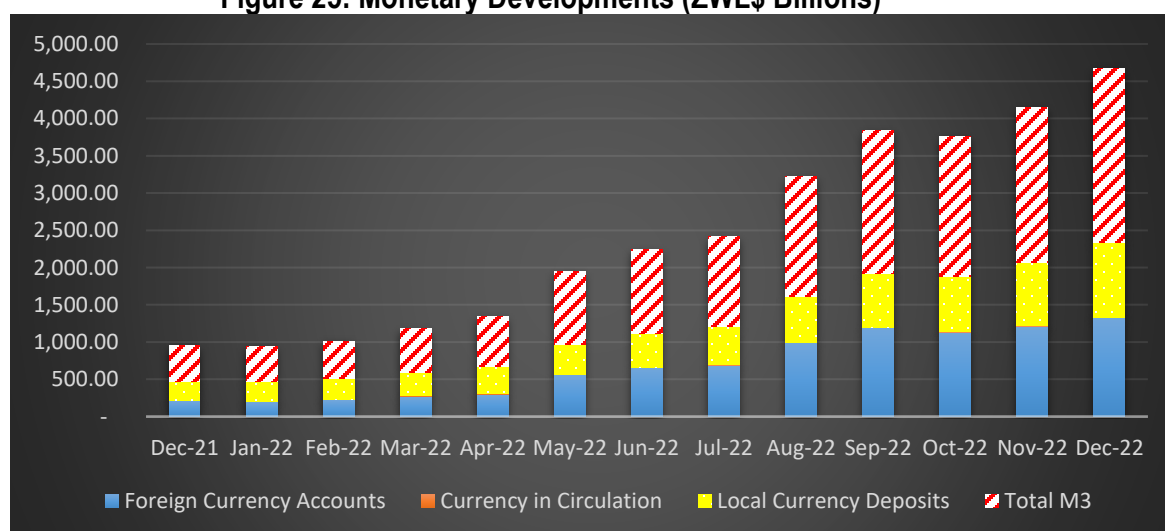
Source: RBZ 2022

117. Consequently, statutory reserves in both domestic and foreign currency now account for more than 90% of total reserve money.

Broad Money Supply Developments

118. Broad money (M3) stood at ZWL\$2.3 trillion at the end of December 2022, up from ZWL\$475.4 billion in December 2021 driven by revaluation changes in foreign currency accounts (FCA) deposits of ZWL\$669.70 billion.
119. The interbank exchange rate shifted from ZWL\$108.67 per US\$1 on 31 December 2021 to ZWL\$684.33 per US\$1 at the end of December 2022, affecting the local currency equivalent of FCA deposits. Between December 2021 and December 2022, Zimbabwe dollar denominated deposits increased by ZWL\$548.08 billion, owing primarily to bank credit creation.
120. Resultantly, foreign currency deposits accounted for 56.88% of total money supply as of December 2022, with local currency deposits accounting for 43.04% whilst currency in circulation accounted for the remaining 0.18%.

Figure 25: Monetary Developments (ZWL\$ Billions)



Source: RBZ, 2022

Zimbabwe Stock Exchange Performance

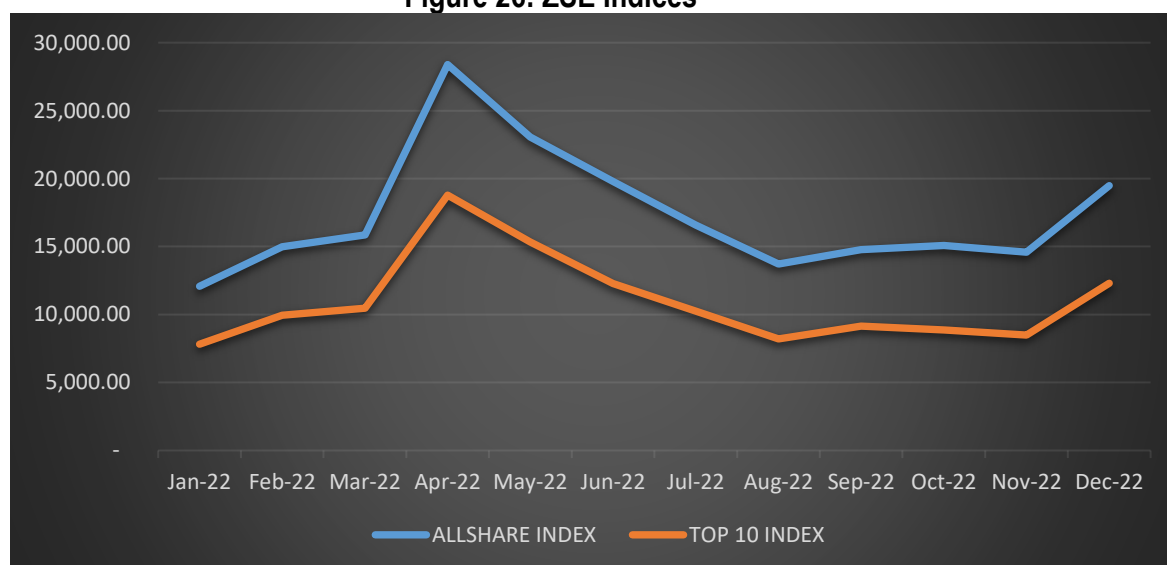
121. The ZSE All Share Index was up 80.1% in December 2022 driven by gains in heavyweight counters, especially the Top 10 counters.

Table 24: ZSE Indices

Index	31/12/2021	31/12/2022	Change
All Share	10822.36	19493.85	80.10%
Top 10	6811.4277	12311.13	80.70%

Source: ZSE, 2022

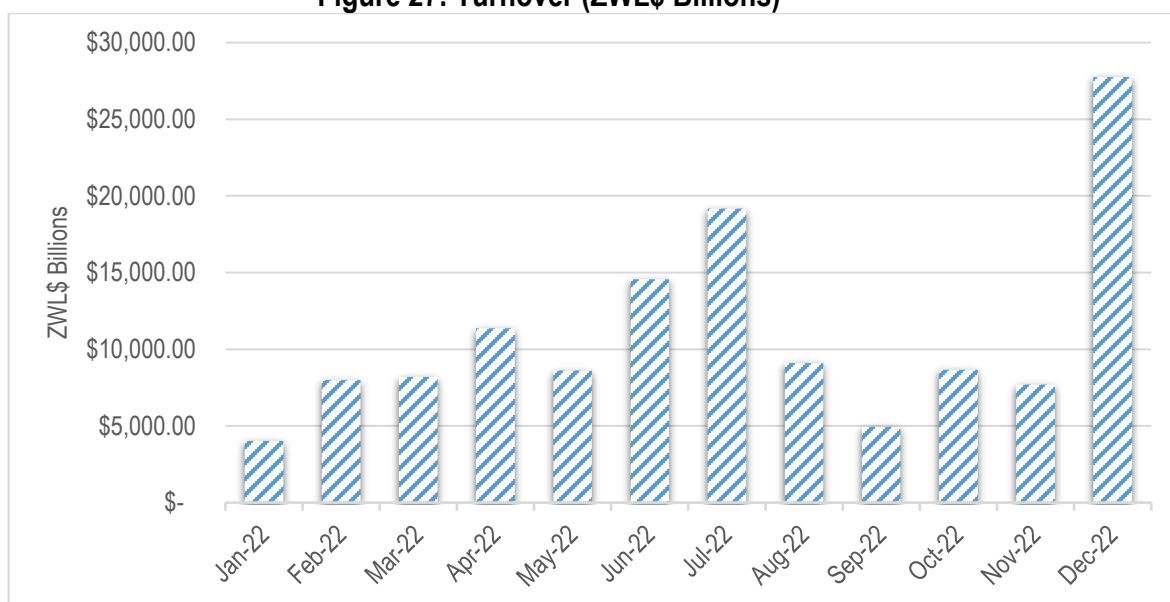
Figure 26: ZSE Indices



Source: ZSE, 2022

122. In 2022, turnover increased by 58% to ZWL\$27.8 billion, up from ZWL\$17.6 billion in the same period the previous year.

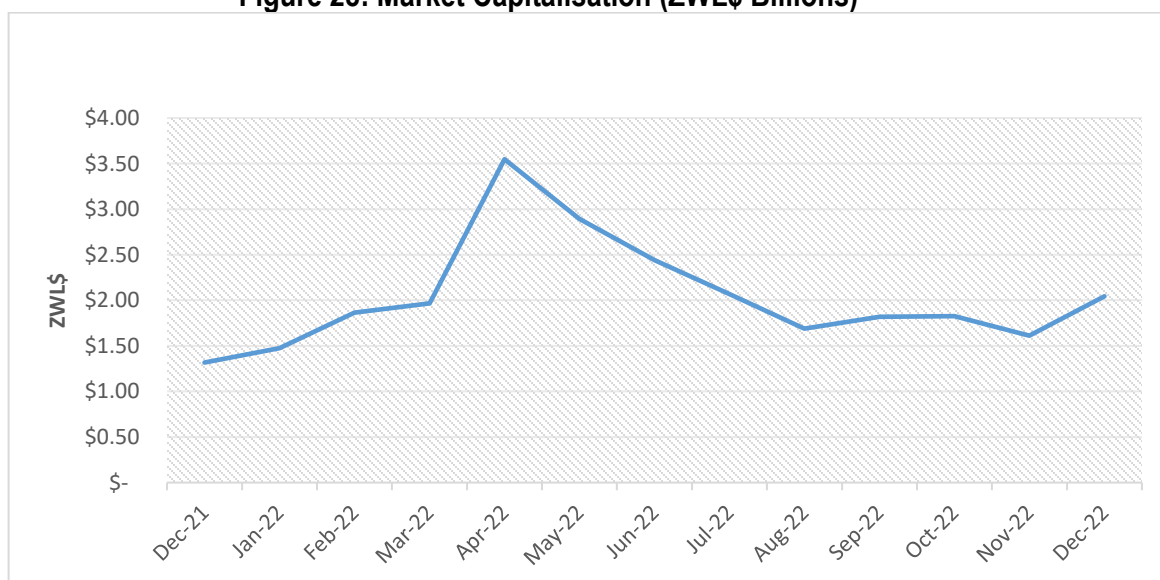
Figure 27: Turnover (ZWL\$ Billions)



Source: ZSE, 2022

123. Market capitalisation was ZWL\$2.04 trillion in December 2022 an increase of 54.5% compared to ZWL\$1.32 trillion in December 2021.

Figure 28: Market Capitalisation (ZWL\$ Billions)



Source: ZSE, 2022

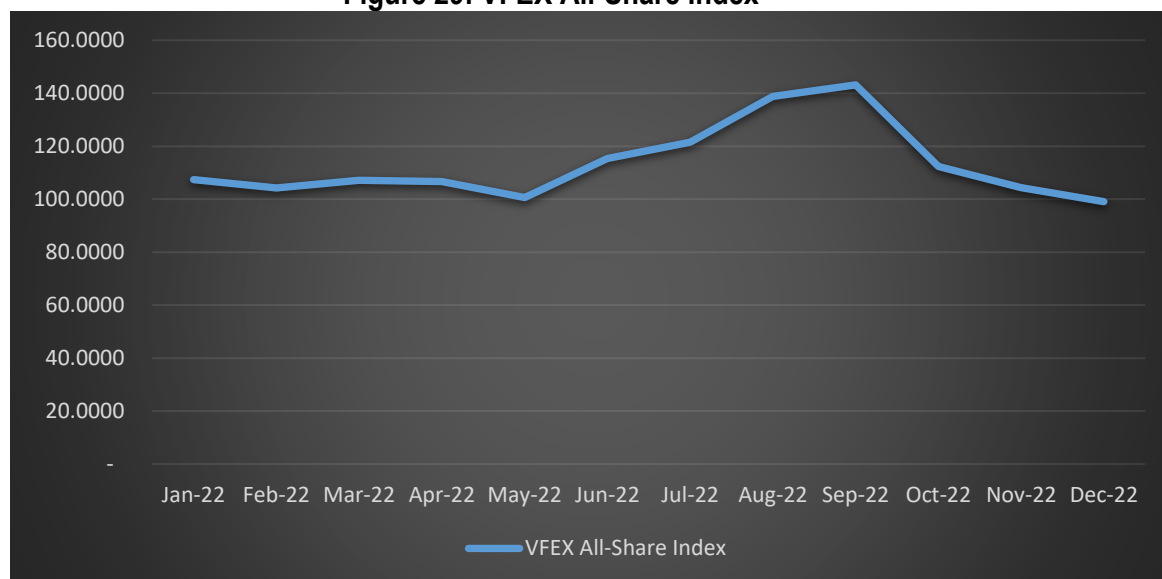
124. Five new companies namely Tigere Real Estate Investment Trust, Tanganda Tea Company Limited, Morgan & Co Multisector ETF, Datvest Consumer Staple ETF and Morgan & Co Made

in Zimbabwe ETF listed on the Zimbabwe Stock Exchange (ZSE) during the year ending December 2022.

Victoria Falls Stock Exchange (VFEX)

125. During the time period under analysis, the Victoria Falls Stock Exchange (VFEX) displayed bearish sentiment with the All-Share Index falling by 13.55% to 94.83 points in December 2022, down from 109.69 points recorded in December 2021.

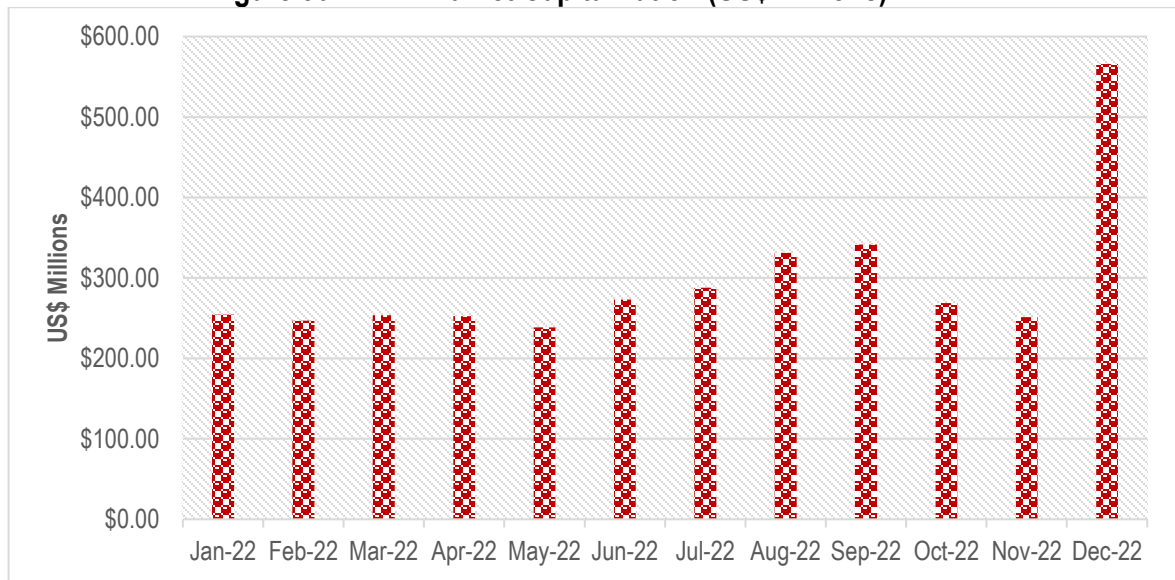
Figure 29: VFEX All-Share Index



Source: VFEX 2022

126. The Victoria Falls Stock Exchange Market Capitalization increased by 118% in December 2022, to US\$566 million, largely due to an increase in the number of listed securities following the listing of four (4) new companies on the Victoria Falls Stock Exchange for the year ending December 2022.

Figure 30: VFEX Market Capitalization (US\$ Millions)



Source: VFEX, 2022

Insurance and Pension Funds

127. The pensions industry remained resilient during the year 2022, having invested ZWL\$73.84 billion as at 31 December 2022, a 468% increase from the 2021 investment despite the volatile operating environment.

Compensation of Pensioners: 2019

128. In respect of the 2019 compensation of pensioners for the pension loss of value due to the 2019 currency reforms, Government, through the Kuvimba Mining House Asset, undertook to compensate pensioners.
129. To this end, IPEC was allocated 5% of the Kuvimba shares. The first dividend amounting to USD400,000 was declared for the financial year 2021, and distributed to pensioners, starting with the most vulnerable groups.

130. As at 31 December 2022, a total of 3,644 pensioners had received USD100 each from the compensation exercise. Distribution of the 2022 financial year dividend will be distributed, once a dividend is declared.
131. The compensation exercise has given pensioners some hope, and contributed towards restoration of confidence in the pensions industry.

Industry Prescribed Asset Compliance

132. During the period under review, Government accorded prescribed asset status to 13 projects worth a total of US\$520 million and ZWL\$2 billion in 2022. Agricultural and renewable energy sectors had the highest number of instruments accorded prescribed asset status, each with five approved instruments.
133. The table below shows the insurance and pensions industry compliance to prescribed asset requirements as at December 2022.

Table 25: Prescribed asset requirements compliance levels 2022

Sector	Compliance level	Minimum prescribed asset threshold
Short-term insurers	4.96%	10%
Life assurers	11.47%	15%
Funeral assurers	0.07%	10%
Short-term reinsurers	13.54%	10%
Life reassurers	13.78%	15%

Source: IPEC

134. Life re-assurers had the highest compliance level of 13.78% against a prescribed minimum threshold of 15%, while funeral assurers had the least compliance level of 0.07% against a prescribed minimum threshold of 10%.

135. The introduction of the Gold Coins (which can be accorded prescribed asset status), had a positive impact on improving industry compliance.
136. As at 31 December 2022, the industry had acquired 1,762 bullion coins of varying denominations with a value of ZWL\$2.29 billion up from the initial investment of ZWL\$170 million since their introduction in June 2022.

Insurance Industry Performance

137. As at 31 December 2022, the insurance industry had 2 875 players, reflecting a 14% increase from the 2 522 players reported as at 31 December, 2021. Forty-five (45) new entrants were registered in the sector, comprised of 10 in the life assurance, 32 in the short-term insurance and 3 in the micro-insurance sectors.
138. The insurance industry recorded total gross premium written amounting to ZWL\$ 172.85 billion and total assets amounted to ZWL\$391.54 billion at the end of the year 2022.

Table 26: Overall Insurance Sector Performance: ZWL\$ Million

	Life Assurers	Life Reinsurers	Short-term insurers	Short Term Reinsurers	Funeral Assurers	Micro-insurers	Direct Underwriters Total
Gross Premium Written	60,758	2,271	103,869	60,015	5,437	2,784	172,848
Net premium Written	59,022	1,937	46,938	36,849	5,437	2,784	114,181
Investment income	111,924	2,881	781	785	41	1	112,747
Management expenses	7,736	318	27,353	10,066	3,415	946	39,450
Profit after tax	37,524	33	13,891	13,020	811	763	52,989
Total Liabilities	146,429	224	51,660	40,673	3,844	3,239	205,172
Number of players	12	4	20	9	8	2	42
Number of capitalised players	11	4	20	9	7	2	40
Total assets	274,750	10,528	105,771	73,890	6,103	4,917	391,541

Source: IPEC

139. In terms of assets, life assurers dominated the insurance industry holding 57.7% of the industry's total assets, while life reinsurers held the least assets (1% of industry's total assets).

Compliance with Minimum Capital Requirements (MCR)

140. As at 31 December, 2022, the industry's average compliance level with the minimum capital requirements is shown on the table below:

Table 27: Compliance Level with the Minimum Capital Requirements

Sector	Number of Entities	Compliance Level: 31 December 2022	Compliance Level: 31 March 2023
Funeral	8	88%	88%
Short term	20	100%	100%
Life	12	92%	92%
Brokers	27	100%	100%
Micro insurers	3	100%	50%

Source: IPEC. The detailed table with individual companies' compliance levels is attached as Annex 2

141. Whilst micro-insurers' achieved a 100% compliance level as at December 2022, the compliance has however decreased, relative to the first quarter of 2023.

Table 28: Pension Funds

Name of Entity	Q4 2022 Compliance Level	Q1 2023 Compliance Level
Minimum Requirement – 20%	7%	6%

Source: IPEC

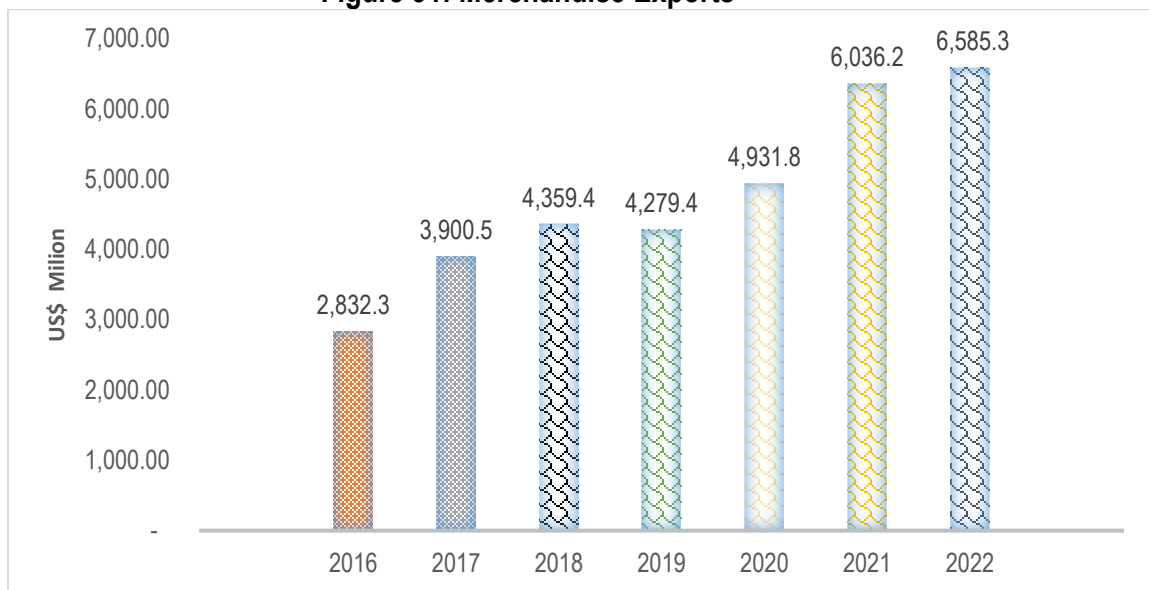
EXTERNAL SECTOR

142. The external sector was characterised by growing foreign currency receipts driven by exports and secondary income resulting in widening of the current account surplus.

Merchandise Exports

143. Merchandise exports increased by 9.1% to US\$6.6 billion in 2022 from US\$6 billion recorded in 2021 mainly driven by increase in mineral and agricultural exports.

Figure 31: Merchandise Exports



Source: ZIMSTAT& MoFED calculations

144. Merchandise exports were dominated by minerals earnings accounting for 75% of the total exports on account of higher production, especially PGMs and gold, coupled with relatively higher international mineral commodity prices.

Table 29: Mineral Exports (US\$ Million)

Mineral	2022	2021	% Change
Platinum	2,269.4	3,019.5	-24.8
Gold	2,462	1,210.10	103.5
Chrome Ore +Ferrochrome	247.1	173.5	42.4
Diamonds	112.8	244.7	-53.9
Other minerals	536.2	363.7	47.4
Total	5,627.5	5,011.5	12.3

Source: RBZ

145. Growth in exports was mainly driven by minerals, especially gold and ferro-chromium, as well as tobacco, whilst substantial declines were recorded on PGMs, cotton and raw hides compared to the previous year.

Table 30: Exports by Product (US\$ Million)

	2021	2022	Changes (%)
PGMs	2489.6	2307.9	-7.3
Gold	1612.9	1992.4	23.5
Tobacco (inc: cigarettes)	836.5	998.1	19.3
Ferro-alloys	306.4	367.1	19.8
Diamonds	165.7	164.9	-0.5
Coal	91.1	165.0	81.1
Cotton	86.9	45.6	-47.6
Chromium ores and concentrates	44.8	43.6	-2.7
Raw hides	28.8	23.0	-19.9
Granite	28.0	36.1	28.6
Other Exports	6036	6585	9.1
Total Exports	6036.2	6585.5	9.1

Source: ZIMSTAT & MoFED calculations

146. The country's main exports were destined for South Africa (41.8%), United Arab Emirates (32.9%), China (8.9%), Belgium (3.3%), Mozambique (2.9%), whilst the other countries absorbed the remainder.

Table 31: Exports by Destination (US\$ Million)

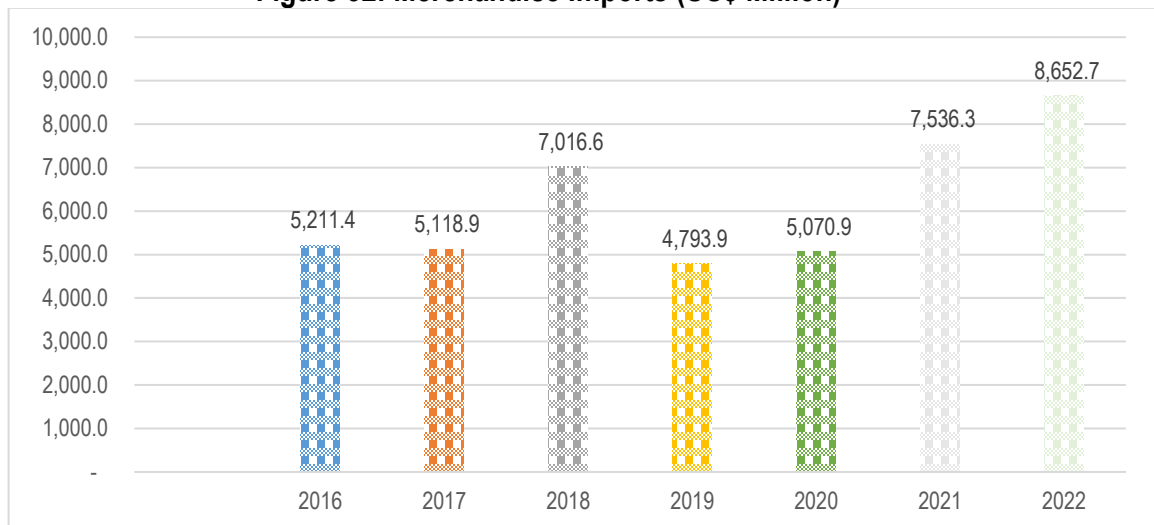
Country	Total	% Change
South Africa	2,754.6	41.8
United Arab Emirates	2,126.2	32.9
China	584.5	8.9
Belgium	214.9	3.3
Mozambique	189.7	2.9
Zambia	89.9	1.5
Sudan	20.3	0.31
Canada	14.9	0.23
Germany	22.7	0.34
Botswana	37.1	0.56
Democratic Republic of Congo	12.7	0.19
Italy	61.0	0.93
Namibia	26.3	0.40
Netherlands	47.9	0.73
Korea, Republic of	2.6	0.04
Turkey	18.3	0.28
Angola	3.8	0.06
Bulgaria	4.1	0.06
Luxembourg	9.4	0.14
Romania	7.4	0.11
Other Countries	337.2	5.12
Total	6,585.3	100

Source: ZIMSTAT & MoFED calculations

Merchandise Imports

147. The country's imports increased by 14.8% to US\$8.7 billion in 2022 from US\$7.5 billion recorded during the same period last year, mainly driven by fuel, raw materials and machinery imports. This is attributed to higher prices of fuel, food and fertilizer on account of elevated geo-political tensions.

Figure 32: Merchandise Imports (US\$ Million)



Source: ZIMSTAT & MoFED calculations

148. Major imports during the year 2022 were fuel, crude soya bean oil, vehicles, fertilizers and electricity, constituting about 27% of total imports.

Table 32: Merchandise Imports by Product (US\$ Million)

	2021	2022	Changes (%)
Diesel	715.3	785.1	9.8
Unleaded Petrol	340.6	397.1	16.6
Crude soya bean oil	298.5	372.0	24.7
Vehicles	247.0	302.2	22.3
Ammonium nitrate	232.0	284.9	22.8
Electricity	152.1	204.3	34.3
Rice	127.9	150.7	17.9
Medicaments	112.3	110.4	-1.8
Maize (Excluding Seed)	112.0	35.9	-67.9
Wheat	88.3	109.8	24.3
Other Imports	5107.9	5907.7	15.7
Total Imports	7533.9	8660.1	14.9

Source: ZIMSTAT & MoFED calculations

149. The major sources of imports during the period under review were South Africa (40.5%), Singapore (13.4%), China (13.7%), Mozambique (3.8%), and Mauritius (3.6%), Zambia (3.1%), among others.

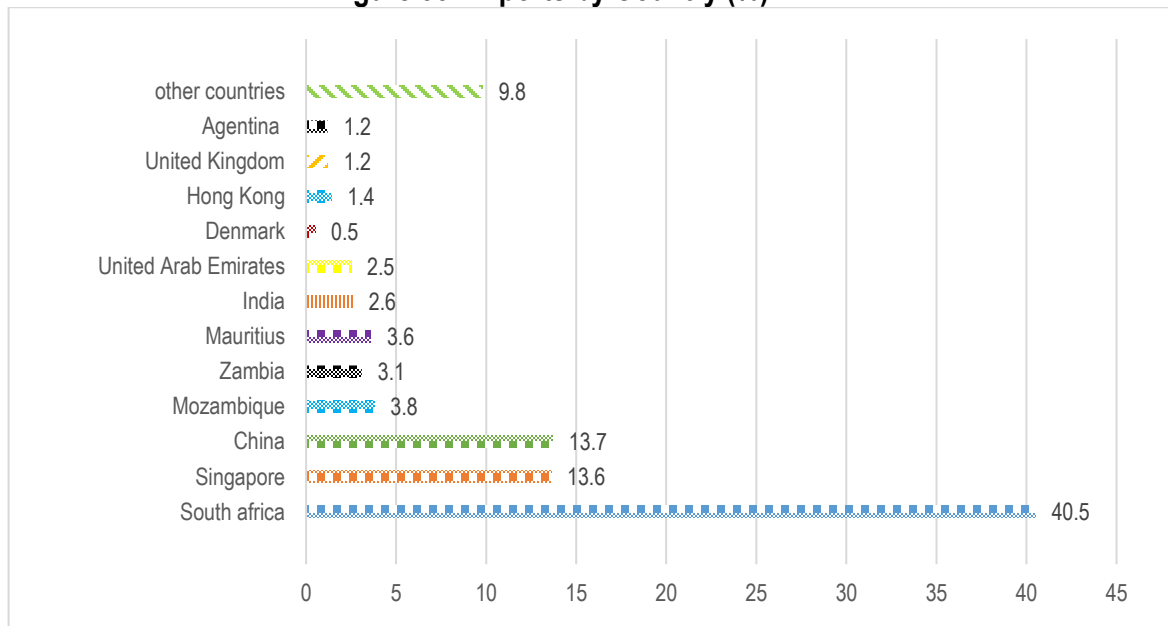
Table 33: Imports by Country (US\$ Million)

Country	Imports	%
South Africa	3,505.6	40.5
Singapore	1,155.9	13.4
China	1,185.3	13.7
Mozambique	329.5	3.8
Zambia	266.1	3.1
Mauritius	315.0	3.6
India	228.0	2.6
United Arab Emirates	217.2	2.5
Denmark	30.1	0.4
Hong Kong	119.0	1.4
United Kingdom	94.2	1.1
Argentina	100.8	1.2
Egypt	44.7	0.5
Ukraine	12.6	0.2
Japan	58.6	0.7
Botswana	41.1	0.9
Netherlands	26.5	0.3
Poland	24.6	0.3
Lithuania	17.1	0.2
Namibia	29.1	0.3
Other Countries	851.1	9.8
Total	8,652.7	100

Source: ZIMSTAT & MoFED calculations

150. South Africa, Singapore and China were leading importers of the country's products accounting for US\$3.5 billion, US\$1.12 billion and US\$1.19 billion, respectively.

Figure 33: Imports by Country (%)

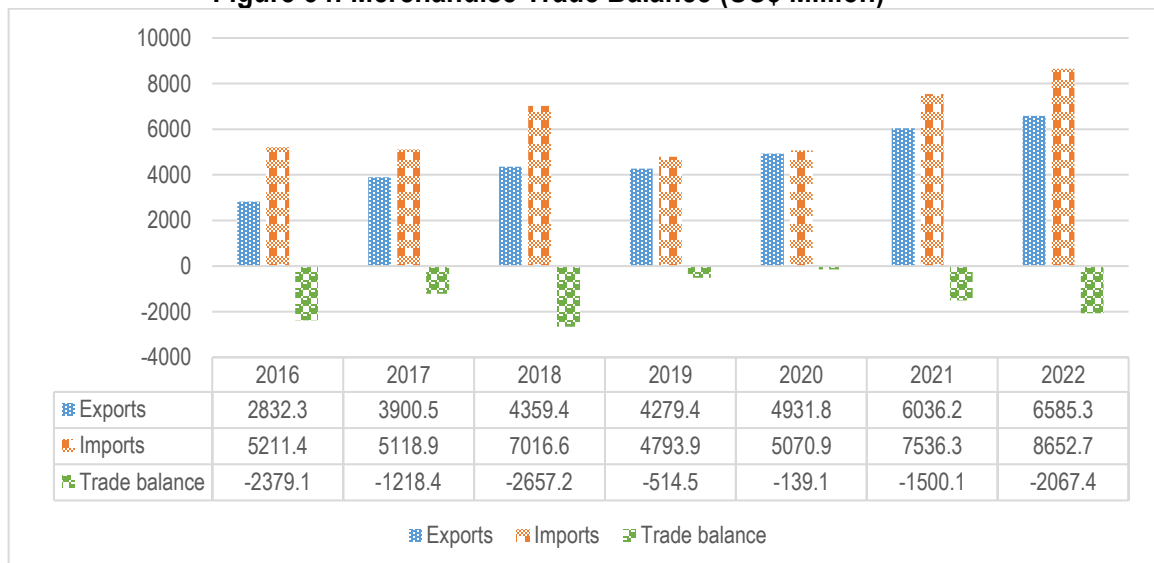


Source: ZIMSTAT & MoFED calculations

Trade Balance

151. Consequently, merchandise trade deficit worsened by 37.8% to US\$2.1 billion compared to US\$1.5 billion recorded during the same period in 2021.

Figure 34: Merchandise Trade Balance (US\$ Million)



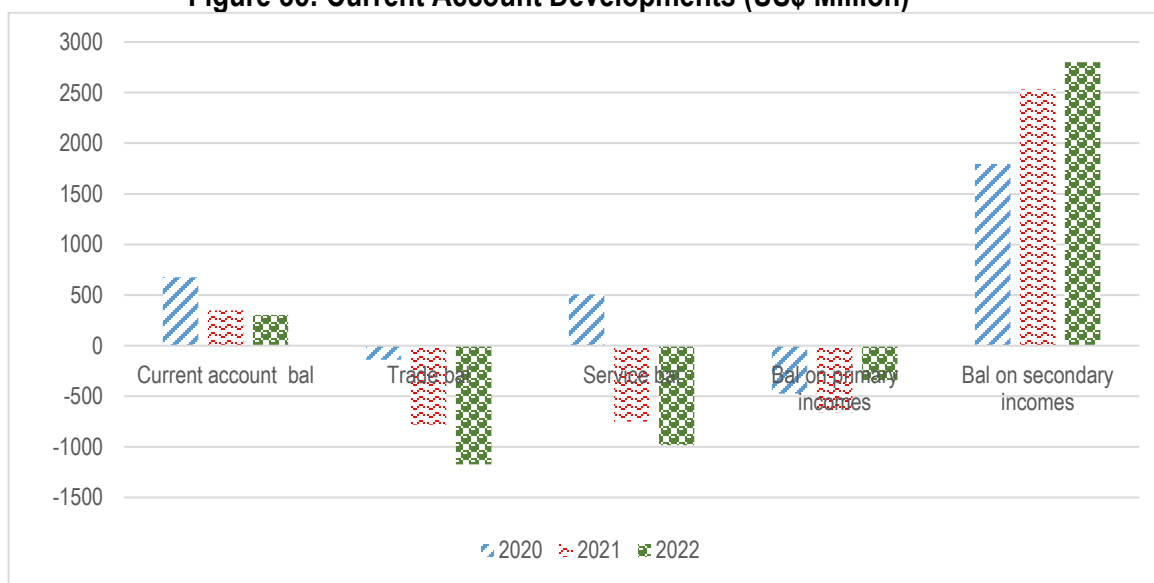
Source: ZIMSTAT & MoFED calculations

152. The worsening in trade balance was attributed to increases in prices of critical imports causing external payments for goods and services to grow faster than export receipts during the period under review.

Current Account

153. Notwithstanding the worsening of trade account, the country's current account surplus grew by 12.4% to US\$348 million from US\$305 million recorded in 2021. The increase was driven by resilient secondary income, in particular, growing inflows through remittances.

Figure 35: Current Account Developments (US\$ Million)



Source: RBZ

Diaspora Remittance

154. During 2022, diaspora remittances amounted to US\$1.7 billion, a 16% increase from US\$1.4 billion received during the same period in year 2021. Remittances from South Africa accounted for 40%, whilst United Kingdom and Australia contributed 25% and 6%, respectively.

Table 34: Diaspora Remittance by source country (US\$ Million)

Country	Total	% Contribution
South Africa	583.4	40
United Kingdom	361.7	25
Australia	89.9	6
Canada	41.3	3
Botswana	39.6	3
Ireland	17.2	1
Germany	11.6	1
New Zealand	9.5	1
Malawi	8.8	1
Other countries	141.3	10
Total	1,658.4	100

Source: RBZ

155. Remittances are predominantly being send through money transfer agencies accounting for 88%, with the remainder, 12% coming through the banking sector.

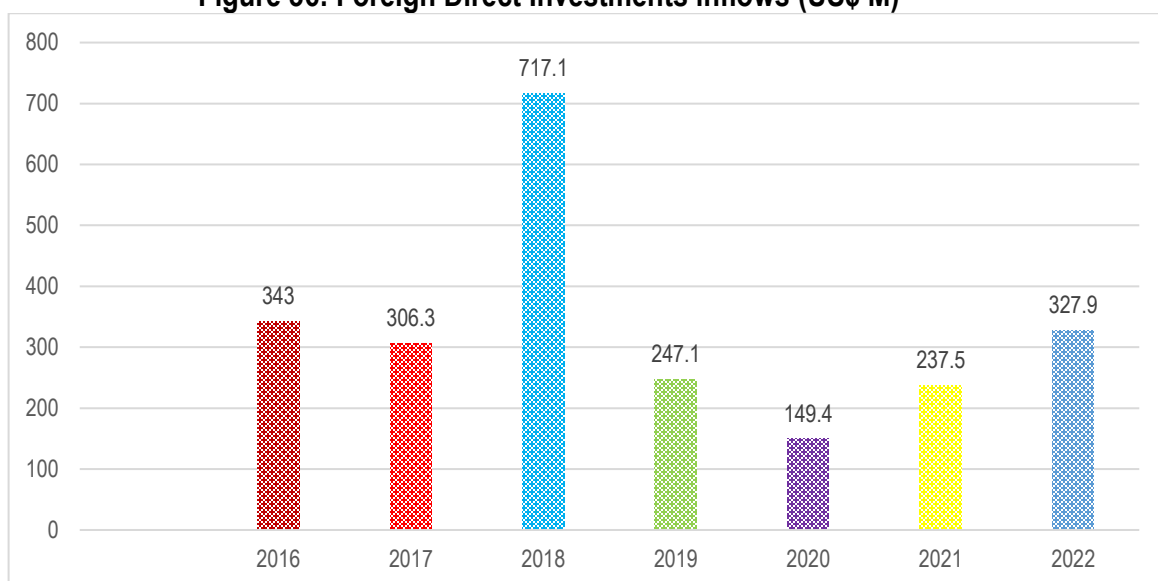
Capital account

156. The capital account remained on a positive territory though on a reduced scale. In 2022, the country received assistance for on-going and new capital projects from development partners amounting to US\$242.7 million, relative to US\$330.5 million recorded in 2021.
157. The dip of 26.6% in capital transfers is attributable to economic slowdowns in source countries, owing to cumulative effect of adverse shocks from Covid-19 pandemic and geo-political crisis.

Foreign Direct Investments

158. Direct investments into the country increased by 38.1% from US\$237.5 million in 2021 to US\$327.9 million in 2022, mainly reflecting efforts by Government to improve the investment climate through a raft of reforms on ease of doing business.

Figure 36: Foreign Direct Investments inflows (US\$ M)



Source: RBZ

159. Notwithstanding the global shocks, foreign direct investment inflows have improved mainly towards expansions and new projects, particularly in the mining sector.

FISCAL OUTTURN

160. The 2022 National Budget was premised on an envelope of ZWL\$968.3 billion, financed through revenue collections of ZWL\$850.8 billion (16.8% of GDP), and a target budget deficit of ZWL\$76.5 billion (1.5% of GDP).
161. The Framework was later revised through the Supplementary Budget to ZWL\$1.9 trillion and revenues of ZWL\$1.7 trillion, as well as a budget deficit of ZWL\$157.5 billion, 1.5% of GDP.
162. The revision was informed by higher inflation and exchange rate depreciation experienced during the first half of the year.
163. To year end, revenue collections amounted to ZWL\$2 trillion against expenditures of ZWL\$2.2 trillion, resulting in a budget deficit of ZWL\$161.5 billion.

Revenue

164. Cumulative revenue collections for the year 2022 amounted to ZWL\$2 trillion against a revised projection of ZWL\$1.7 trillion, resulting in a positive variance of ZWL\$315.8 billion (18.1%). See *detailed revenue performance in Annex 1*.

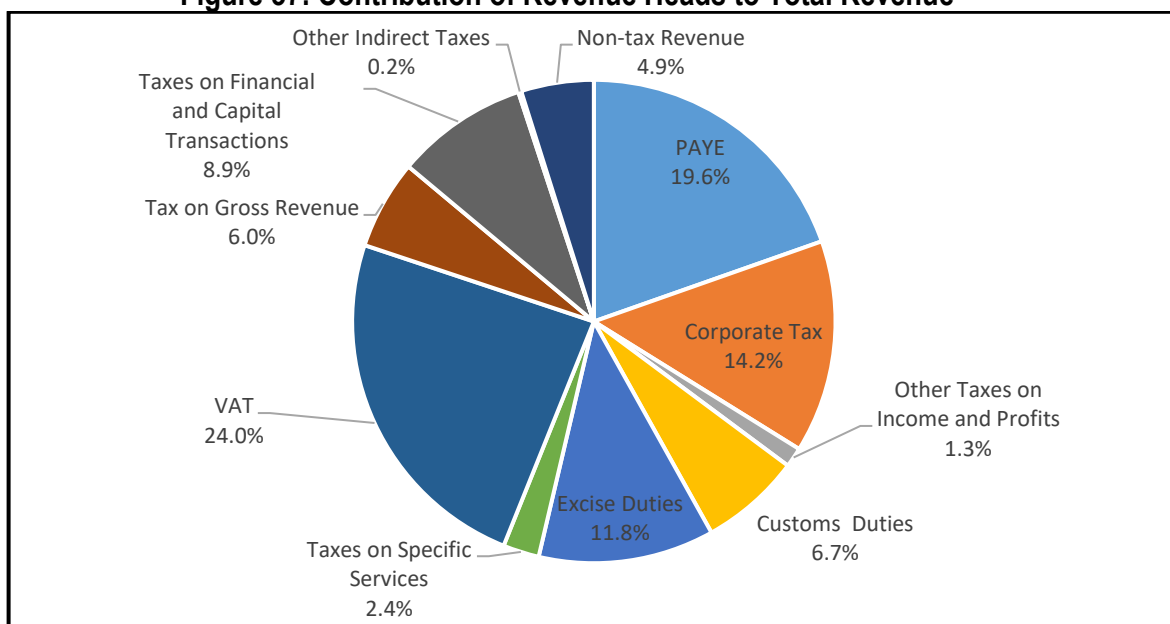
Table 35: Revenue Performance: Jan - Dec 2022

	Actual	Target	% Variance
Tax Revenue	1.96 trillion	1.65 trillion	18.2%
Non-Tax Revenue	100 billion	86 billion	16.2%
Total Revenue	2 trillion	1.7 trillion	18.1%

Source: MoFED

165. Principal contributors to revenue were, Value Added Tax (24%), Personal Income Tax (19.6%), Corporate Tax (14.2%), and Excise Duties (11.8%).

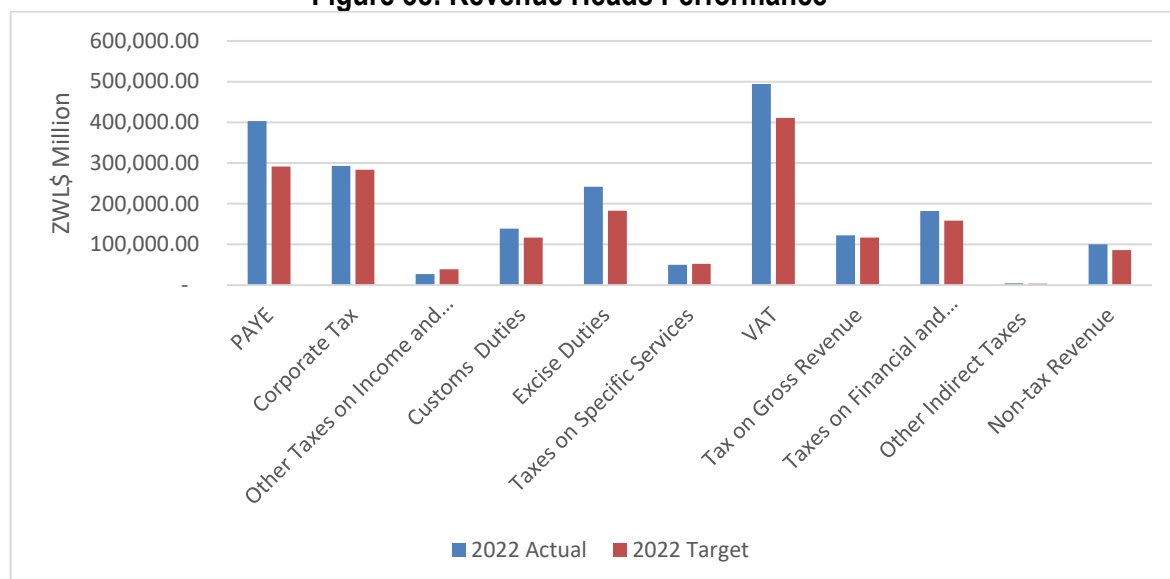
Figure 37: Contribution of Revenue Heads to Total Revenue



Source: MoFED

166. Almost all tax heads performed above their targets save for Other Taxes on Income and Profits.

Figure 38: Revenue Heads Performance



Source: MoFED

Personal Income Tax

167. Against a target of ZWL\$291 billion, Personal Income Tax collections amounted to ZWL\$403 billion, resulting in a positive variance of ZWL\$112.3 billion driven by bracket creep following wage adjustments in both the public and private sectors.

Corporate Income Tax

168. Corporate Income Tax collections amounted to ZWL\$292.7 billion against a target of ZWL\$283 billion, resulting in a positive variance of ZWL\$9 billion.

Value Added Tax

169. Revenue collections through Value Added Tax amounted to ZWL\$494 billion against a target of ZWL\$411 billion, resulting in a positive variance of ZWL\$83 billion.

Excise Duty

170. Excise duty collections stood at ZWL\$242 billion surpassing the target of ZWL\$182 billion driven by higher fuel volumes.

Customs Duty

171. For the period under review, customs duty collections amounted to ZWL\$138.5 billion against a target of ZWL\$116.5 billion, resulting in a positive variance of ZWL\$22 billion on account of imports growth.

Intermediated Money Transfer Tax

172. Collections through the Intermediated Money Transfer Tax (IMTT) amounted to ZWL\$182 billion against a revised target of ZWL\$158 billion, resulting in a positive variance of ZWL\$24 billion. The positive performance was partly attributed to the extension of IMTT to foreign currency transactions as well as increased value and volume of transactions.

Non-Tax Revenue

Non-tax revenue collections amounted to ZWL\$100 billion against a target of ZWL\$86 billion, attributable to Government reviews of fees and charges during the year in line with inflation developments.

Expenditure Developments

173. Against a revised Budget of ZWL\$1.9 trillion, actual expenditures for the year 2022 amounted to ZWL\$2.2 trillion. Major expenditures were on compensation of employees including salaries for

grant-aided institutions and pension which stood at ZWL\$895.3 billion. Performance of expenditure items are broken down in the table below:

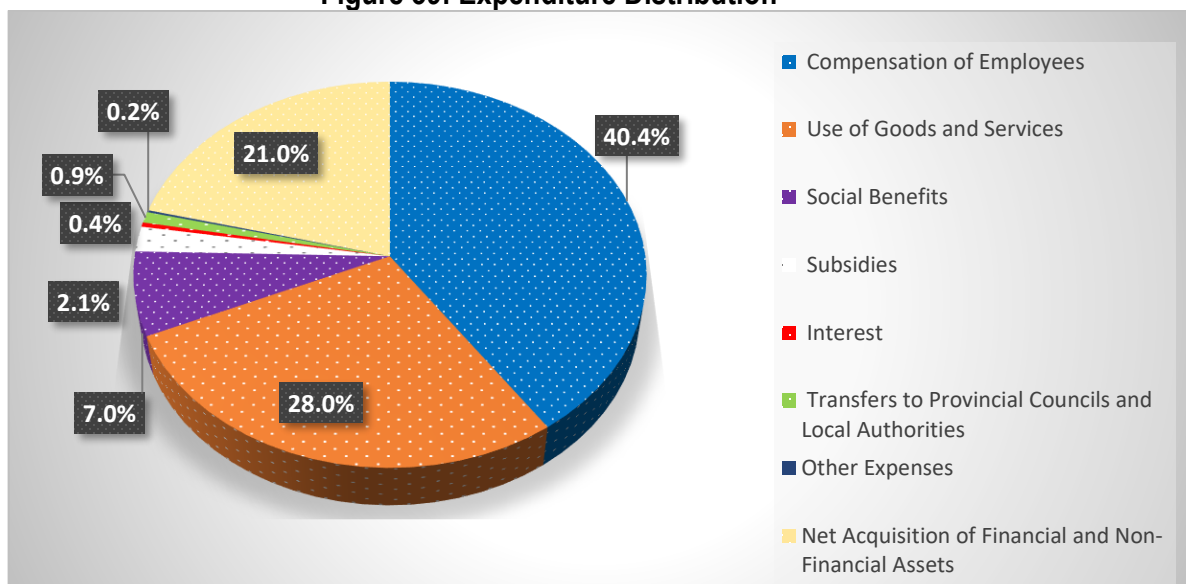
Table 36: 2022 Expenditure Outturn (ZWL\$ Million)

	Outturn	Target	Variance (%)
Total Expenditures & Net Lending	2,217,811.21	1,897,146.53	16.9
Compensation of Employees	895,316.90	832,510.14	7.5
Use of Goods and Services	622,014.36	434,805.14	43.1
Social Benefits	155,062.59	96,636.95	60.5
Subsidies	46,641.46	18,294.61	154.9
Interest	8,159.68	16,709.58	-51.2
Transfers to Provincial Councils and Local Authorities	20,252.13	52,539.00	-61.5
Other Expenses	3,775.12	657.39	474.3
Net Acquisition of Financial and Non- Financial Assets	466,588.98	444,993.71	4.9

Source: MoFED

174. Compensation of employees constituted 40.4% of total expenditures whilst capital expenditure and Government operations constituted 21% and 28%, respectively. Overall, the recurrent expenditure stood at ZWL\$1.7 trillion against a target of ZWL\$1.4 trillion.

Figure 39: Expenditure Distribution



Source: MoFED

175. Interest payments towards servicing domestic and foreign debt accounted for 0.4% of total expenditures.

Recurrent Expenditure

176. During the year 2022, recurrent expenditures amounted to ZWL\$1.7 trillion against a target of ZWL\$1.4 trillion. Of this, ZWL\$895.3 billion went towards employments costs, constituting 51.1% of recurrent expenditures.

Table 37: Recurrent Expenditure (ZWL\$ Trillion)

	Outturn	Target	Variance
Total Recurrent Expenditures	1,751,222.24	1,452,152.82	299,069
Compensation of Employees	895,316.90	832,510.14	62,807
Use of Goods and Services	622,014.36	434,805.14	187,209
Social Benefits	155,062.59	96,636.95	58,426
Subsidies	46,641.46	18,294.61	28,347
Interest	8,159.68	16,709.58	-8,550
Transfers to Provincial Councils and Local Authorities	20,252.13	52,539.00	-32,287
Other Expenses	3,775.12	657.39	3,118

Source: MoFED

Employment Costs

177. Outlay on employment costs for the period January to December 2022 stood at ZWL\$895.3 billion against a revised budget of ZWL\$832.5 billion, representing an over spending of ZWL\$62.8 billion. This constitutes 43.5% of total revenues and 6.1% of GDP, against targets of 40% and 6.7%, respectively.
178. The evolution of employment costs was driven by interventions to improve the welfare of civil servants against rising cost of living through:
- Review of remuneration and Covid-19 allowance across the civil service effective 1 January 2022;

- Introduction of a flat US\$125 and US\$60 to Civil Servants and Government Pensioners, respectively;
- Review of health sector allowances; and
- Recruitment of 5 000 primary and secondary school teachers in order to reduce the teacher-to-pupil ratio in the education sector.

179. In addition, resources were also channelled towards capitalisation of the Public Service Pension Scheme as Government continue with the migration towards a defined pension scheme.

Social Services

180. Government extended ZWL\$519.3 billion towards social services support during the year 2022. The bulk of the resources went towards education at ZWL\$333.6 billion, followed by health ZWL\$158.7 billion and social protection ZWL\$27 billion.

Education

181. A total of ZWL\$333.6 was expended towards the education sector, against budget provision of ZWL\$299.8. The bulk of the resources, ZWL\$238.7 billion went towards employment costs, a reflection of the structure of the sector which is labour intensive.

Basic Education

182. Support to Primary and Secondary Education amounted to ZWL\$272.4 billion, mainly towards employment costs, public examinations, procurement of teaching and learning materials, procurement of sanitary wear and the home-grown schools feeding programme, as well as construction and rehabilitation of schools, among others.

183. In line with the amended Education Act, which mandates Government to progressively provide free basic education, pilot schools were identified in selected 20 districts where Government paid ZWL\$256 million as grants in aid of tuition for disadvantaged students in the marginalised districts. The resources were specifically for school improvements and this was complemented by support from cooperating partners.
184. An amount of ZWL\$20.8 billion was availed towards the administration, marking and processing of 2022 Ordinary and Advanced level examinations as part of Government Programme to enhance access to basic education. Government is contributing 55% towards public examinations in the form of a subsidy while parents are contributing 45% in the form of the examination fees.
185. Of this, ZWL\$199.5 million was expended towards procurement of assistive devices and other materials for learners with special needs.
186. In order to reduce the plight of the girl child, Government availed ZWL\$644 million for sanitary wear, complemented by Development Partners and private sector support in providing this important commodity to female learners from vulnerable households.
187. To enhance access to education, support towards infrastructure in the education sector amounted to ZWL\$600 million targeting implementation of projects under the primary and secondary education. An amount of ZWL\$400 million was channelled towards preparatory works for construction of 35 new schools across the country.
188. Resources amounting to ZWL\$180 million were availed for rehabilitation of storm damaged infrastructure with particular focus on works such as repair of windows and blown roofs on classroom blocks and teachers houses countrywide.

189. Support was also extended towards improvement of water and sanitation services in schools with 212 boreholes having been drilled while 150 boreholes were rehabilitated during the period under review.

Higher and Tertiary Education

190. Support towards the higher and tertiary education sector was mainly skewed towards wage costs for teaching and non-teaching staff. Of the ZWL\$61.1 billion availed, ZWL\$48.9 billion went towards employment costs, whereas ZWL\$11 billion went towards operations enabling the achievement of the following:
- The Higher Examination Education Council (HEXCO) successfully administered examinations for registered 616 technologists, 17 692 artisans, 9 197 technicians and 11 894 National Foundation Certificate Skills.
 - Technical Vocational Education Training Centres (TVET) compliance inspections were completed in the Midlands, Bulawayo Metropolitan, Matabeleland North and South provinces.
 - Four (4) Colleges (J.M Nkomo Polytechnic, Mkoba Teachers College, Masvingo Teachers College, and Mary Mount Teachers College) were capacitated to train STEM teachers and 742 are currently under training so as to improve uptake of STEM subjects,
191. Notable achievements were also registered in the area of Science Technology Development and Innovation Ecosystems where focus was on the development of partnerships and connectedness between universities, Government, business, donors, venture capitalists, entrepreneurs, mentors and media.
192. Engagements were made amongst stakeholders on the commercialisation of various innovations such as electricity fault detector, smart meters, electronic stick for the blind and pharmacy finder, modified coal tar and several projects.

193. An amount of ZWL\$6.5 billion went towards tertiary education infrastructure as part of Government efforts to improve access to quality and inclusive education. Focus was on providing decent accommodation to students, as well as adequate teaching and learning infrastructure enabling the following milestones: -

- Completion of the female hostel at Bindura University which is now occupied by 324 female students;
- Completion of the University of Zimbabwe Bachelor of Education Block, Great Zimbabwe University Simon Mazorodze School of Medical and Health Sciences Block and JM Nkomo Home Economics Block, as well as the Pathology Laboratory at Midlands State University;
- Construction of Kushinga Phikelela Female Hostel and Lupane Senior Lecturers apartments which are at 95% level of completion with major outstanding works including electrification and furnishing.

Simon Mazorodze School of Medical and Health Sciences, Great Zimbabwe University



Health

194. A total of ZWL\$158.7 billion was disbursed towards the health sector against a target of ZWL\$179.9 billion. Notwithstanding budget constraints, milestones were made in improving remuneration for health workers, with Government awarding health sector specific allowances indexed to the USD to cushion against inflation.
195. In furtherance of Government's initiative to enhance the health delivery system, a cumulative amount of ZWL\$71.9 billion was spent towards the health sector for operational, consumables, equipment and relevant infrastructure.
196. The construction of the national pharmaceutical warehouses was completed in Harare, Masvingo and Mutare, assisting in the effective storage of medical supplies.
197. To provide power backup, Government embarked on a Solar for Health Program in partnership with Development Partners targeting 1 700 health facilities. In this regard, 640 health facilities have installed and commissioned.
198. Government is constructing health posts across the country to improve access to health facilities. These facilities are located in Wards, hence reducing the distances travelled to the health centres by the local community. During the year, 9 health posts were constructed in Buhera, Chivhu, Gokwe North and Centenary district.
199. On the 13th of May 2022, His Excellency President E.D Mnangagwa presided over the official opening of the NMS-built Stoneridge Health Centre, a Programme that targets the construction of thirty 22-bed Health Centres.
200. His Excellency also commissioned 32 state of the-art fully equipped ambulances during the period under review. This development is set to contribute greatly to the reduction in avoidable

maternal deaths, road traffic accident casualties, as well as improving the general patient transportation and referral systems.

201. Fiscal support also enabled the supply, delivery and installation of high-tech medical equipment to modernise the health sector and ensure world-class services. Pieces of equipment included magnetic resonance imaging machines, image intensifiers, fixed digital X-ray machines, mobile digital X-ray machines, anaesthetic machines, ophthalmic microscopes, ventilators, theatre lights, multi-parameter monitors and ultrasound scan machines.
202. In an endeavour to increase access to health services in marginalised areas, Government completed the construction of seven rural health centres, whilst the procurement of assorted basic medical equipment is currently underway.
203. The rehabilitation and expansion of wards, kitchens, and laundry facilities at Chiredzi, Binga, Chipinge, Gokwe South, Guruve, Mpilo Hospital Block and Kariba district hospitals were also completed. Additionally, critical sections comprising the maternity theatres and out-patient and casualty departments at Masvingo and Victoria Provincial Hospitals were also rehabilitated during the period under review.

Completed Rehabilitated Mpilo Hospital Block



204. Support was also directed towards the 250-bed Lupane Provincial Hospital in Matabeleland North which is now nearing completion with ongoing works including the development of central stores, a pharmacy, a casualty section, an outpatient department and an administrative block. Also under construction are junior staff flats, a maternity block, a surgical ward, a paediatric ward, a dental and eye clinic as well as antenatal and post-natal sections.

Construction of Lupane Provincial Hospital



Lupane Provincial Hospital Accommodation Block



205. As the country accelerates progress towards ending AIDS and public health therapy by the year 2030, Government commissioned the Gweru Provincial Hospital opportunistic infections antiretroviral therapy centre in September 2022 that will cater for over 3 500 people who are in need of HIV specialised care and support.
206. Support was also channelled towards Provincial hospital services targeting rehabilitation and construction works at Bindura, Masvingo, Victoria Chitepo, Gwanda and Lupane Hospitals with major works including the upgrading of gas reticulation systems, water and sanitation facilities, roads resurfacing and refurbishment of buildings and mortuaries having been completed at these institutions.
207. With regards to district hospitals, significant progress was realised in the rehabilitation and upgrading of Kwekwe, Chivhu, Plumtree, Chipinge and Gokwe hospitals. Government also supported the rehabilitation of Morgenster, Gutu and Manama Mission hospitals during the period under review.
208. Manyame Hospital superstructure was completed while specialised works such as plumbing, electricals, lifts and glazing are being finalised.

Manyame Hospital



Social Protection

209. In 2022, Government disbursed resources amounting to ZWL\$27.4 billion towards social protection programmes against a budget of ZWL42.7billion. This was complemented by development partner support through various initiatives including cash and in kind.

Food Assistance

210. During the peak hunger period (January- March 2022), Government distributed a total of 27 032.67mt of grain to 1 474,069 beneficiaries in 25 districts, while the World Food Programme also assisted 673 100 beneficiaries in 12 districts, bringing the total number of beneficiaries to 2 147 169.
211. Government extended support towards unconditional cash transfers programme targeting ultra-poor households who are labour constrained, including households of persons with disabilities,

child and female headed. In this regard, Government availed ZWL\$12 billion towards 43 902 households in 25 districts namely Kariba Rural, Kariba Urban, St Mary's, Gweru, Mangwe, Bindura, Makoni, Epworth, Umguza, Goromonzi, Zvishavane, Chipinge, Mzilikazi, Chivi, Mutare, Rusape, Plumtree, Bulilima, Gokwe North, Binga, Mwenezi, Zvimba, Mudzi, Mazowe and Buhera.

212. This was complemented by support from UNICEF and WFP which reached out to 24 725 beneficiaries in 8 districts and 13 421 beneficiaries in 5 districts, respectively.
213. To enhance child welfare services, Government availed ZWL\$7.2 billion towards child protection programmes. This includes ZWL\$4.4 billion towards BEAM programme benefiting 1.8 million children. This also includes support for learners with disabilities to the tune of ZWL\$1.2 billion for the procurement of teaching and learning materials, as well as learner assistance devices.
214. To complement Government efforts, support was received from Development Partners towards child protection with the World Bank implementing the Adolescent Girls' Empowerment Programme (AGEP), which was undertaking cash transfers, water, sanitation and hygiene (WASH) components and income generating activities for households. The project saw over 1 000 households drawn from 48 schools in Buhera District benefitting from cash transfers amounting to US\$35 per month for six months and a once off income-generating fund of US\$250 per household for income-generation projects. This was also supported by UNICEF and USAID through technical and financial assistance for different projects.
215. Support towards people with disabilities amounted to ZWL\$850 million for vocational training, purchase of assistive technologies, payment of per capita and administration grants, as well as empowerment initiatives.
216. Government availed ZWL\$393 million towards sustainable livelihood programmes benefiting 7 405 through Sustainable Livelihood projects in 6 Districts namely Mangwe, Tsholotsho, Nkayi,

Buhera, Gutu and Gokwe South, supporting projects such as poultry, rabbit production, mushroom production, peanut butter making and hydroponics.

Public Service Pension Fund

217. Transformation of the Public Service Pension Scheme from Pay as you go pension scheme to a fully funded pension scheme through the Public Service Pension Fund received a boost worth ZWL\$4.6 billion being disbursed to capitalise the Fund.
218. As at December 2022, the portfolio market value of the Fund was ZWL\$104.8 billion and the book value for Funds Under Management (FUM) was ZWL\$33 billion with the Fund achieving a combined investment return of ZWL\$71.8 billion or 217.37% of invested capital. Total assets also increased primarily due to investment return, which is now 68% of assets while book value is 32% of assets.
219. The Fund's portfolio is diversified to properties (53.76), alternative investments (4.83%), money market (1.79%), public equity (38.33%), and Mosia Tunya gold coins (0.13%). Diversification is aggressively being pursued in order to improve the Fund's performance with a bias towards real assets.

Vulnerable Input Support Scheme

220. Government extended support to vulnerable households through provision of farming inputs worth ZWL\$164.4 billion in the form of seed, fertilizer and chemicals for maize, sorghum, soya beans, millet, sunflower, cowpeas, sugar beans, sesame, legume pastures, silage and cotton for summer and winter crops.
221. The support benefited about 3 million households both in urban and rural areas to guarantee food security of the country at household level.

222. Furthermore, to enhance income and nutrition, chicks and goats were distributed to rural communities under the Programme.

GEMS Fund

223. As part of promoting savings and access to affordable lines of credit by civil servants, Government established the GEMS Fund in 2020. Cumulative contribution towards capitalisation of the Fund for the period February 2021 to December 2022 from membership contributions, employer seed capital and Interest income stood at ZWL\$4.2 billion with Government providing ZWL\$1.5 billion as seed capital.
224. The GEMS Fund portfolio is valued at ZWL\$6.5 billion, with an asset portfolio including properties, public equity and money market placements.
225. The Fund has processed loans worth ZWL\$2.9 billion to 34 064 applicants during the period up to December 2022.

Value for Money

226. In an endeavour to restore market discipline and price stability, Government introduced the Value for Money exercise in August 2022 for all transactions in the public procurement space. The exercise revealed rampant overpricing and forward pricing by suppliers of goods and services, enabling beneficiary private companies to fuel depreciation of the local currency on the parallel market.
227. Government intervened by blacklisting the private companies involved in such activities. Going forward, Government seeks to put additional measures in place to punish Government officials who facilitate procurement at extortionist prices.

Infrastructure Development

228. Priority interventions on infrastructure development under the 2022 Infrastructure Investment Programme and the National Budget were high impact projects and was biased towards rural empowerment projects consistent with the inclusive growth and stance of “*leaving no one and no place behind*”.
229. Guided by this framework, overall expenditure towards the 2022 Infrastructure Investment Programme amounted to ZWL\$531.2 billion against a budget of ZWL\$410.1 billion.

Table 38: Funding Mix for 2022 Priority Infrastructure Projects (ZWL\$ Million)

Sector	Fiscal Revenues	Statutory	Grants	Loan	Total
Energy	0.00	2,800.00	3,122.66	26,600.00	32,522.66
Transport	130,048.41	21,500.00	85.79	0.00	151,634.19
Water & Sanitation	51,375.69	0.00	1,199.18	0.00	52,574.88
ICT	20,808.73	957.49	3.75	7,176.00	28,945.97
Health	3,610.21	0.00	0.00	0.00	3,610.21
Education	7,179.88	0.00	0.00	0.00	7,179.88
Housing	12,269.58	169.00	0.00	0.00	12,438.58
Agriculture	129,985.77	3.20	2,678.86	1,950.00	134,617.83
Capitalisation of SOEs	13,758.48	0.00	0.00	0.00	13,758.48
Other Capital Items	141,620.28	3,417.35	3.75	3,042.00	148,083.37
IGFTs	20,564.55	0.00	0.00	0.00	20,564.55
Grand Total	531,221.57	28,847.04	7,093.98	38,768.00	605,930.59

Source: MoFED

230. Spending on infrastructure projects from the fiscus resources went towards the following areas:

-

- Transport ZWL\$130.1 billion;
- Water & Sanitation ZWL\$51.4 billion;
- Public Amenities ZWL\$12.3 billion;
- Agriculture ZWL\$129.99 billion;
- Social Services ZWL\$10.8 billion and
- Devolution ZWL\$20.6 billion.

231. An amount of ZWL\$20.6 billion was disbursed to Provincial Councils and Local Authorities under devolution directed towards areas of water and sanitation, health services, education and road infrastructure.

Transport

232. On transport, priority was to improve road, rail, and air services towards achieving seamlessly connection within the country with an amount of ZWL\$143.6 was disbursed towards the sector, with the bulk going towards roads sector.

Roads Development Programme

233. The implementation of the Roads Development Programme, targeting rehabilitation and upgrading of the country's road network was supported with resources amounting to ZWL\$135.3 billion having been expended as at end of December 2022.
234. Of this amount, ZWL\$98.2 billion was channelled towards Harare-Masvingo-Beitbridge Road Development Project resulting in the completion of 400km as at end December 2022, now open to traffic.

Harare-Masvingo-Beitbridge Road



235. Furthermore, an amount of ZWL\$50.7 billion was expended under the Emergency Roads Rehabilitation Programme II (ERRP II) towards improvement of the road network and to harness the potential of the transport system in promoting economic growth.

Table 39: Road Rehabilitation

Road Authority	Amount (ZWL\$ Billion)
Department of Roads	30
District Development Fund	7
Urban Local Authorities	4.4
Rural Local Authorities	8.1
Total	50.7

Source: MoFED

236. Under the Department of Roads, some of the major achievements realised include the following:
- Completion of restoration works on Cyclone Idai damaged roads;
 - Completion of Masvingo Urban Dualisation (4 lanes);
 - Rehabilitation of Norton Road (3km), Galloway Road (2.6km), Shukrun road (2.8km), Gudza-Tumba Way in Chitungwiza (7.8km), Knightsbridge and Glencary roads in Harare;
 - Surfacing of 5.5km of Amaveni Road in Kwekwe;

- Construction of Harare-Kanyemba Road, with 2km covering Mahuwe to Mushumbi stretch now complete and opened to traffic;
- Subgrade compaction of Nyakasikana-Masvingo-Karanda Road in Mt. Darwin;
- Surfacing of Marondera-Wedza Road Construction Project; and
- Construction and completion of Rwenya River bridge Construction and approaches.

Surfacing of Marondera-Wedza Road Construction Project



Completed Rwenya River Bridge



Rwenya River Bridge Approaches



237. Government also supported the development of feeder roads through the Rural Infrastructure Development Agency (RIDA) with particular focus on underdeveloped remote areas.

Table 40: Summary of RIDA Provincial Emergency Roads Rehabilitation Programme II

PROVINCE	Bush Clear	G1grading	Towed Grading	Drains Opening	Stockpiling Gravel	Regravelling /Spot Gravel	Culvert Construction	Culvert Repair / Cleaning	Verge Clear	Gravel Patching	Pipe Drift Construction	Pipe Drift Repair	Bridge
	(km)	(km)	(km)	(km)	(m ²)	(km)	(no.)	(no.)	(km)	(km)	(no.)	(no.)	(no.)
Manicaland	118	808	542	244	74,766	97	0	313	48.2	6	2	8	2
Mashonaland Central	119.5	2150	647	833	132,494	70	7	746	310	79.1	3	13	3
Mashonaland East	118.9	1405	149	790	71,738	33.2	20	30	99	5	1	1	7
Mashonaland West	60.4	928	45	75	22,200	31.8	2	14	31.4	49	2	7	1
Masvingo	74.1	1207	344	364	92,373	62.4	3	71	275	58	9	14	1
Matabeleland North	33.4	1166	129.3	453	151,918	77.1	54	718	754	243	4	43	2
Matabeleland South	5.6	2468	28	468	34,182	34.7	1	106	193	425	3	3	2
Midlands	85	3235	35	219	115,014	112.7	30	80	221	58.1	4	5	5
Road Surfacing Projects: Monte Casino 7 km													
Total	614.9	13,367.00	1,919.00	3,446.00	694,685	519	117	2078	1,932.00	923	32	94	23

Source: RIDA

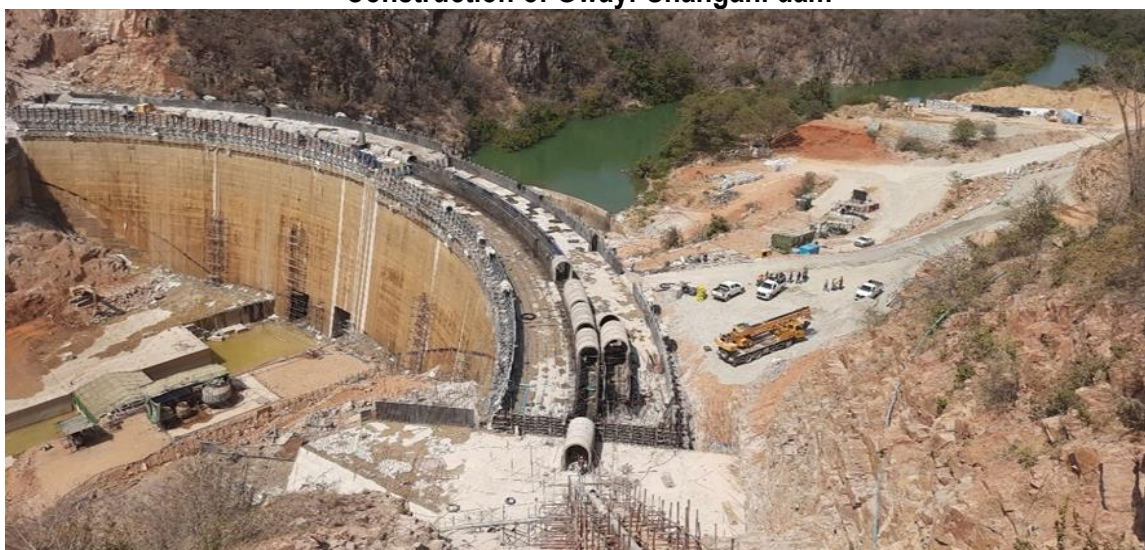
Aviation

238. Significant progress was made on the upgrading of the R.G. Mugabe International Airport Expansion Project being financed under the US\$153 million loan facility from China Exim Bank. The project is now nearing completion, with overall progress estimated at 75.3%.
239. The outstanding work are on the procurement and installation of equipment such as secondary radar, boarding aerobridges, baggage handling system, docking systems as well as scanners.

Water and Sanitation

240. Support towards the sector during the period under review amounted to ZWL\$51.4 billion, mainly targeting dam construction projects (ZWL\$49.6 billion), water supply schemes (ZWL\$38 million) and drilling and rehabilitation of boreholes (ZWL\$650 million).
241. Through the targeted approach, priority was on ensuring aggressive implementation of the Gwayi Shangani and Chivhu dams by availing ZWL\$34.3 billion and ZWL\$411.98 billion, respectively.
242. As at end December 2022, overall progress on Gwayi-Shangani was estimated at 70.2% while Chivhu dam was 98% complete.

Construction of Gwayi-Shangani dam



Chivhu Dam



243. In addition, the District Development Fund drilled a total of 212 boreholes and rehabilitated 955, of which 150 boreholes being on schools countrywide.

Housing Delivery

244. As part of Government's strategic objective of enhancing housing delivery, in 2022, an amount of ZWL\$12.3 billion was channelled towards housing development programmes mainly targeting construction of residential flats and institutional accommodation for various Government Departments and Parastatals.

Residential Accommodation

245. Out of the total support to the sector, an amount of ZWL\$1.4 billion was expended towards the construction of residential flats in Marondera, Senga and Dzivarasekwa against a budget of ZWL\$1.7 billion.

Block of flats under construction in Marondera



246. An amount of ZWL\$279.4 million was also spent on servicing of residential stands covering onsite and offsite infrastructure in Empumalanga (Hwange), Kasese (Kariba) and Crownlands (Chinhoyi), which will pave way for the construction of residential houses.
247. In support of the construction of decent accommodation for victims of national disasters such as Binga Floods and Cyclone Idai, resources amounting to ZWL\$261.5 million were disbursed towards construction of 105 housing units which are at various stages of completion.

Completed Binga Flood Victim house



248. Additionally, a total of ZWL\$2.5 billion was availed to the Zimbabwe Prisons & Correctional Services during the period under review for construction of several housing units which are at different stages of completion with 4 x 14 roomed barracks and 20 housing units completed.
249. With regards to institutional accommodation for the Zimbabwe National Army and Airforce of Zimbabwe, focus was on the construction and rehabilitation of existing facilities across various cantonment areas. In this regard, ZWL\$4.6 billion was availed towards completion of 30 and 18 housing units at Dzivarasekwa and Imbizo, respectively, whilst 30 housing units are at various stages of completion.

Housing Units at Dzivarasekwa under construction



250. Support was also channelled towards the new concrete technology flats being constructed in other cantonments, with the contractor having completed foundations for 10 flats while construction of superstructures for 4 flats is in progress.

On-going works on Dzivarasekwa New Concrete Technology Flats



Institutional Housing

251. A total of ZWL\$3.7 billion was disbursed towards construction and rehabilitation of institutional accommodation, covering Lupane civil servants' houses, artillery works such as parking and landscaping for the new parliament building, Lupane and Epworth magistrate courts.

Recently completed Lupane Magistrates Court



252. In this regard, resources amounting to ZWL\$1.7 billion were availed towards rehabilitation and construction of courts leading to completion of the Lupane and Epworth Magistrate Courts, while works on the Gwanda Magistrate Court are being finalised.

Completed Structure of Epworth Magistrate Court



Museum of African Liberation

253. In honour of the fallen veterans of Africa's liberation wars and as a way of documenting wars fought in the continent, Government with support from other African States began the construction of the Museum of African Liberation in July 2022.
254. Support to date has been towards preliminary works in preparation for commencement of actual construction works.

Museum of African Liberation – Preliminary works



Energy

- 255. Interventions to the sector are meant to gradually close the gap between demand and supply of electricity, as well as improve the reliability of the transmission and distribution infrastructure.
- 256. With regards to on going works on Hwange 7 & 8 expansion project, cumulative disbursements amounted to US\$378 million as at December 2022.
- 257. Works were estimated at 75% completion with key activities such as installation of boilers, turbines and transformers, among other critical works, having been completed by end December 2022.
- 258. Through the fiscus, resources amounting to ZWL\$900 million were availed to meet counterpart financing during the period under review.
- 259. Under the Rural Electrification Programme, resources amounting to ZWL\$354 million were spent towards various projects nationwide covering 102 public institutions and 101 households.

Digital Economy

- 260. Government implemented digitisation projects through establishment of more base stations, optic fibre broadband expansion and other supportive ICT infrastructure to support programs such as e-justice, smart city, smart learning, smart health, smart agriculture and smart social protection.
- 261. In this regard, resources amounting to ZWL\$947.7 million were availed towards the Integrated Electronic Case Management system wherein Phase 1 of the project covering the Constitutional Court, Supreme Court and the Commercial court of the High Court were completed and commissioned by His Excellency, the President. E.D Mnangagwa.

262. In addition, an amount of ZWL\$2.54 billion was channelled towards the Lab per school programme enabling establishment of 75 laboratories in 75 schools.
263. As a way to bridge the digital gap between the rural and urban communities, the ICT sector also managed to established 11 Community Information Centres during the period under review.

DEVOLUTION

264. Resources amounting to ZWL\$20.6 billion were channelled towards implementation of devolution projects, mainly targeting construction of social infrastructure such as roads, health facilities, schools, as well as water and sanitation infrastructure.
265. In addition, local authorities also managed to procure critical pieces of equipment such as graders, dozers, drilling rigs, front end loaders among other key equipment to remove the huge cost of hiring equipment from private players.
266. Resources equivalent to US\$36.3 million in local currency were also expended on procurement of fire Tenders for local authorities under the Zimbabwe Belarus Cooperation Facility.
267. Below is a summary of the Provincial Expenditures under Devolution covering the period to December 2022:

Table 41: Provincial Expenditures under Devolution

	2022 Revised Allocation	2022 Outturn
Provincial Council		
Bulawayo Metropolitan	140,323,400	
Harare Metropolitan	408,307,000	
Manicaland	840,003,100	2,714,310
Mashonaland Central	544,400,500	1,859,806
Mashonaland East	670,432,400	1,859,805
Mashonaland West	763,097,000	2,111,130
Masvingo Provincial	740,545,400	2,312,190
Matebelaland North	445,301,500	1,709,010
Matebelaland South	564,340,900	1,910,071
Midlands Provincial	797,152,900	1,910,070
Sub-total	5,913,904,100	16,386,391
Local Authorities		
Harare Metropolitan	4,599,954,200	4,358,887,207
Bulawayo Metropolitan	1,348,383,000	398,997,868
Midlands	6,289,184,000	2,375,184,076
Manicaland	5,665,497,200	1,757,139,324
Mashonaland Central	4,822,189,400	1,651,279,404
Mashonaland East	4,855,000,400	1,711,589,412
Mashonaland West	6,060,477,700	2,942,570,808
Masvingo	4,976,291,800	1,880,484,310
Matebeleland North	4,133,505,400	1,946,425,412
Matebeleland South	3,874,612,800	1,525,602,617
Sub-total	46,625,095,900	20,548,160,438
Total	52,539,000,000	20,564,546,829

Source: MoFED

PUBLIC DEBT

268. The country's domestic and external public and publicly guaranteed debt stock stood at ZWL\$3.6 trillion and US\$12.8 billion, respectively.

Domestic Debt

269. As at end of December 2022, domestic debt amounted to ZWL\$3.6 trillion, comprising of Treasury bills/bonds of ZWL\$128.71 billion, blocked funds of ZWL\$1.03 trillion, domestic arrears to service providers, ZWL\$8.33 billion and compensation to former farm owners, ZWL\$2.4 trillion.

Table 42: Total Domestic Debt as at end December 2023 (ZWL\$ Billions)

	Amount
Treasury Bills/Bonds	128.71
Blocked Funds	1,027.02
Arrears to service providers	8.33
Compensation of Farmer Farm Owners	2,395.17
Total	3,559.23

Source: Zimbabwe Public Debt Management Office

270. Treasury Bills (TB) issuances for Budget financing during the period January to December 2022, amounted to ZWL\$83.36 billion, against a target of ZWL\$97.80 billion as shown in the Table below.

Table 43: Gross Domestic Debt Issuances January to December 2022 (ZWL\$ Million)

	Jan-Mar		Apr-Jun		Jul-Sep		Oct-Dec		Total	
	Tar	Act	Tar	Act	Tar	Act	Tar	Act	Tar	Act
270 days	9,100		7,700		14,000		6,300			
365 days	9,200		11,800		26,000		13,700			
Treasury Bills	18,300	15,678	19,500	4,882	40,000	12,300	20,000	50,500	97,800	83,360
Treasury Bonds	-	-	-	-	-	124	7,400			
Total	18,300	15,678	19,500	4,882	40,000	12,424	27,400	50,500		83,360

Source: Zimbabwe Public Debt Management Office

271. In addition, Government signed a domestic loan with the Platinum Investment Managers (PIM) Nominees (Pvt) Limited amounting to US\$360.5 million for the construction and rehabilitation of the Harare - Kanyemba 354 km highway road.

External Debt

272. As at end December 2022, external public and publicly guaranteed debt is estimated at US\$12.83 billion, comprising of bilateral debt US\$5.9 billion (35%), multilateral debt US\$2.7 billion (16%) and RBZ debt US\$4.24 billion (18%). Of the bilateral external debt, Paris Club debt amounts to US\$3.8 billion, while US\$2.1 billion is owed to Non-Paris Club creditors.
273. Multilateral total external debt is mainly made up of principal and interest arrears accounting for 92% (US\$2.5 billion), as shown in Table below.

Table 44: Public and Publicly Guaranteed Debt Stock end December 2022 (US\$ Millions)

	DOD	PRA	IRA	Penalties	Arrears + Penalties	Total
1. External Debt (a+b+c) (including RBZ debt)	1,913	2,858	1,665	2,150	6,673	12,827
External Debt (a+b) (excluding RBZ debt)	1,913	2,858	1,665	2,150	6,673	8,586
a. Bilateral Creditors	1,695	1,711	548	1,936	4,194	5,890
Paris Club	94	1,361	468	1,837	3,667	3,761
Non-Paris Club	1,601	349	80	99	527	2,128
b. Multilateral Creditors	218	1,147	1,117	215	2,479	2,697
World Bank	134	709	703	-	1,412	1,546
African Development Bank	28	280	384	-	664	692
European Investment Bank	11	144	25	215	384	395
Others	45	14	5	-	19	64
c. RBZ Debt	4,241	-	-	-	-	4,241

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

274. External debt service amounted to US\$63.97 million, broken down as US\$51.17 million to active portfolios and US\$12.8 million as token payments to the IFIs and Paris Club creditors.

Table 45: External Debt Service for the period January to December 2022 (US\$ Millions)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
Active Portfolio					
BADEA	0.78	-	0.64		1.42
IFAD	0.19	-	0.18		0.37
OFID	0.39	-	0.41	0.87	0.80
China Eximbank	6.00	6.00	6.00	4.00	18.00
Sinosure	6.00	6.00	6.00	4.00	18.00
India Eximbank	-	1.62	-	1.62	1.62
Kuwait	-	0.23	0.23		0.46
Sub Total	13.36	13.86	13.46	10.49	51.17
Token Payments					
World Bank	1.00	1.00	1.00	1.00	4.00
AfDB	0.50	0.50	0.50	0.50	2.00
EIB	0.10	0.10	0.10	0.10	0.40
Paris Club (16)	1.60	1.60	1.60	1.60	6.40
Grand Total	16.56	17.06	16.66	13.69	63.97

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

275. An amount of US\$194.3 million was disbursed as external loans during the period January to December 2022, of which US\$4.6 million went towards Central Government projects, while US\$189.7 million went towards State Owned Enterprises (SOEs) projects under on-lent loans arrangements.

Table 46: External Loan Disbursements: January to December 2022 (US\$ Millions)

Loan Facility	Creditor	Date Signed	Loan Amount	Currency	Amnt
Central Government Projects					
Smallholder Irrigation Revitalisation Project	OFID	08.03.2018	15	USD	3.49
First Education Project	OFID	09.10.2015	20	USD	1.10
Smallholder Agriculture Cluster Project (SACP)	IFAD	17.05.2021	36	USD	-
Sub Total					3.07
On-Lent Loans to SOEs					
ZPC Hwange 7 & 8 Thermal Power Station Project	China Eximbank	30.06.2016	998	USD	139.29
CAAZ Robert G. Mugabe International Airport	China Eximbank	04.04.2018	1,045	RMB	27.78
ZPC Deka Pumping Station & River Water Intake System	India Eximbank	21.06.2013	41	USD	18.09
NetOne Network Expansion Phase III	China Eximbank	26.06.2019	465	RMB	4.55
Sub Total					174.82
Grand Total					194.3

Source: Zimbabwe Public Debt Management Office

External Loans Contracted in 2022

276. In 2022, Government contracted a US\$15 million concessional loan from the OPEC Fund for International Development (OFID), as part of Government's co-financing for the IFAD loan of US\$35.7 million, signed in May 2021, meant for supporting the Smallholder Agriculture Cluster Project (SACP). The project is expected to benefit 78 000 households in the provinces of Matabeleland North, Midlands, Mashonaland West, East and Central.
277. During the year, Government also issued guarantees amounting to US\$176 million and ZWL\$10.49 billion as follows:

Table 47: Guarantees Issued in 2022

Borrower	Purpose	Amount (millions)		Date Signed	Date of Expiry
		US\$	ZWL\$		
ZETDC	Purchase of power generated by Zimbabwe ZhongXin Electrical Energy (Pvt) Limited (ZZEE)	22		9-03-22	30-09-22
IDBZ	Finance construction of two four-storey blocks of flats under Waneka Phase III Housing Development in Graniteside, Harare.		500	24-03-22	31-03-26
AFC	Finance agricultural activities for the 2022 winter wheat agricultural season		4,000	6-05-22	30-04-23
AFC	Finance agricultural activities for the 2022 winter wheat agricultural program under the RBZ Medium Term Bank Accommodation Facility		1,000	6-05-22	30-04-23
ZINARA	Road rehabilitation works under the ERRP Phase 2 Project		4,600	27-05-22	30-05-23
Sable Chemicals	Working capital requirements to facilitate the importation of ammonia gas from South Africa (60% Guarantee)		390	05-08-22	31-03-23
AFC	Finance agricultural activities for the 2022/23 summer agricultural season	138.9 (approx. ZWL\$86.3 billion)		16-11-22	31-12-23
AFC	Finance agricultural activities for the 2022/23 summer agricultural season	15.8 (approx. ZWL\$9.8 billion)		16-11-22	31-12-23
Total		176	10,490		

Source: Zimbabwe Public Debt Management Office

278. Furthermore, the Mutare City Council was granted borrowing powers for an amount of ZWL\$158.12 million.

Table 48: Borrowing Power Authority for the Mutare City Council

Borrower	Purpose	Amount (ZWL\$ m)	Date Approved
Mutare City Council	Procurement of equipment and utility vehicles	158.12	12-01-22

Source: Zimbabwe Public Debt Management Office

CONCLUSION

279. The economy performed better than anticipated during 2022 as evidenced by higher than the projected growth, higher export receipts, as well as robust industry performance in the face of challenging global and domestic macro-economic environment.

280. Government will continue to implement remedial policies in response to any shocks that may impact on the positive trajectory and in line with NDS1 national priorities and outcomes.

ANNEXURE

Annex 1: January – December 2022 Outturn by Economic Classification

Item	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Cumulative Total
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Total Revenue	55,323,967,249	50,439,816,160	77,010,155,129	73,120,747,891	94,197,327,500	157,508,002,309	176,195,249,707	186,824,412,784	289,737,846,658	244,632,434,476	275,630,373,200	375,708,891,910	2,056,329,224,975
Tax Revenue	49,849,262,763	45,629,330,837	71,893,824,433	63,036,851,663	89,337,296,257	152,605,214,926	155,789,161,755	181,959,046,131	278,510,502,867	241,508,290,911	266,192,750,338	360,011,597,991	1,956,323,130,873
Tax on Income and Profits	16,311,709,147	15,195,552,826	30,789,681,786	20,710,654,323	25,832,701,199	67,629,791,918	43,546,980,239	59,047,021,592	133,585,702,456	73,781,714,867	80,724,081,093	156,094,184,987	723,249,776,433
Individuals	16,061,532,510	14,772,419,679	11,358,416,531	12,281,475,508	19,564,681,105	31,117,582,148	35,451,836,803	37,710,923,021	53,305,872,660	54,979,156,699	58,147,058,960	58,560,129,267	403,311,084,891
Companies	250,176,637	423,133,147	18,568,681,175	2,950,309,045	4,534,936,083	35,701,660,719	8,062,432,655	14,873,202,869	80,242,572,917	18,802,558,168	17,052,810,731	91,235,605,813	292,698,079,959
Domestic dividend and interest			462,765,052	849,703,182	1,030,120,922			6,459,788,919			5,175,248,451	4,330,263,957	18,307,890,482
Other income taxes			342,462,936	4,565,998,155	605,759,465		32,710,781	3,106,783	37,256,879		43,199,256.6	340,669,642	5,971,163,897
Presumptive tax			57,356,093	63,168,433	97,203,625	810,549,051					305,763,695	1,627,516,309	2,961,557,204
Customs duties	2,922,066,841	3,396,093,893	4,298,714,043	4,570,274,709	7,218,234,602	10,447,322,709	12,215,600,652	13,599,003,909	16,429,607,172	21,236,579,910	20,463,321,035	21,743,988,858	138,540,808,334
Other (Prime & Surtax)	2,926,641,999	3,408,496,761	4,323,183,146	4,590,141,708	7,274,218,969	10,525,770,877	12,274,415,121	13,661,640,962	16,565,276,307	21,310,501,826	20,580,536,651	21,793,844,523	139,234,668,849
Refunds Duty	4,575,158.38	12,402,868	24,469,102	19,866,999	55,984,367	78,448,167	58,814,469	62,637,053	135,669,135	73,921,916	117,215,616	49,855,665	693,860,515
Excise duties	4,517,084,790	4,954,606,329	6,760,887,275	7,860,632,092	11,824,657,654	17,196,084,321	20,066,263,664	28,375,494,051	28,350,756,040	31,728,654,067	32,159,776,263	48,089,753,789	241,884,650,334
Beer	781,243,488	262,211,989	1,288,130,000	793,324,030	974,521,016	1,433,513,685	2,228,577,658	2,829,171,566	3,568,519,569	3,962,587,196	4,712,200,068	5,073,450,105	27,907,450,369
Wines and Spirits	289,090,928	220,756,868	95,175,888	289,670,108	355,060,190	460,328,644	588,127,239	814,181,941	517,494,451	1,489,007,320	1,251,623,960	1,163,735,555	7,534,253,091
Tobacco	250,354,328	98,432,543	515,840,718	333,720,526	493,869,839	550,441,214	729,382,353	907,903,719	1,117,037,002	1,261,037,159	1,058,968,808	1,070,842,997	8,387,831,206
Second Hand Motors Vehicles	12,587,022	23,488,518	30,712,414	26,569,292	48,602,521	70,796,597	80,025,612	92,007,743	124,625,305	131,410,913	149,677,886	142,404,989	932,908,813
Fuels	3,183,797,540	4,348,411,269	4,830,964,470	6,401,628,341	9,942,322,919	14,680,884,308	16,440,150,803	23,732,229,082	23,023,077,901	24,884,592,197	24,987,305,541	40,639,319,147	197,094,683,517

Electric lamp	11,484	1,305,143	63,785	15,719,794	10,281,170	119,873			1,812	19,281		997	27,523,338
Taxes on Specific Services	2,046,010,036	1,123,902,950	1,041,257,065	1,414,046,411	3,625,403,615	3,062,604,816	7,947,541,004	4,357,191,067	4,480,899,323	7,425,018,269	5,114,230,503	8,102,101,956	49,740,207,014
Business Licences	348,044,973	493,367,444	350,505,561	307,485,968	460,830,522	945,022,638.00	1,721,602,955	998,846,520	1,175,604,963	4,104,503,440	1,737,949,501	1,738,992,170	14,382,756,654
Energy Taxes - Carbon Tax	468,708,723	630,535,476	690,751,504	955,317,819	1,404,588,558	2,117,582,178.08	2,391,583,387	3,175,230,713	3,305,294,360	3,320,514,830	3,330,424,381	5,702,808,291	27,493,340,219
Fuel levy (4 cents diesel levy)	1,229,256,341	30		151,242,624	1,759,984,535		3,834,354,662	183,113,834			45,856,620.0	660,301,495	7,864,110,141
Value Added Tax (VAT)	14,834,246,733	12,152,236,881	18,334,945,187	16,283,480,550	22,747,568,712	34,348,887,115	34,611,695,505	46,130,537,282	61,591,071,236	69,558,808,853	86,264,911,005	77,245,596,500	494,103,985,559
VAT on Domestic Goods	9,721,699,981	8,604,140,327	12,325,806,749	10,630,109,272	16,826,958,716	22,149,006,371	27,865,716,652	31,638,100,590	44,723,307,130	47,040,764,524	57,300,542,519	55,700,739,422	344,526,892,253
VAT on Withholding Tax	770,276,564	438,634,436	1,022,852,687	1,167,394,808	1,266,439,333	1,089,026,442	1,812,195,012	3,282,080,546	29,974,462,162	3,179,219,183	3,059,179,676	2,883,140,760	49,944,901,609
Imported Goods & Services	4,520,639,711	5,678,500,134	7,018,379,769	7,311,599,126	11,809,770,887	16,416,665,000	20,118,116,136	23,980,912,375	3,408,615,110	33,978,992,490	35,379,168,717	37,017,926,747	206,639,286,200
Refunds	178,369,523	2,569,038,015	2,032,094,018	2,825,622,656	7,155,600,223	5,305,810,698	15,184,332,295	12,770,556,230	16,515,313,166	14,640,167,344	9,473,979,907	18,356,210,429	107,007,094,503
													-
Tax on Gross Revenue	2,579,791,727	3,572,532,421	4,609,549,522	4,434,179,296	8,692,761,151	7,384,577,209	19,976,492,527	10,527,736,370	12,690,766,401	12,364,343,142	16,265,937,032	19,546,677,542	122,645,344,341
Tobacco Levy	3,600,000	2,500,000	52,000	307,449,686	915,915,794	909,219,875	658,749,510	459,385,399	135,895,601	55,936,977	932,709,589		4,381,414,430
Royalties-mining	522,330,235	1,400,093,115	2,149,820,107	1,474,709,351	4,590,786,906	3,304,596,930	15,505,046,326	5,648,507,044	4,913,893,953	4,808,668,717	7,108,841,353	9,391,111,414	60,818,405,451
Airtime (including Health levy)	1,283,908,620	1,079,624,551	1,401,405,924	1,153,247,514	1,631,052,751	1,655,011,263	1,744,464,646	1,522,633,285	4,243,048,951	3,898,063,006	5,051,379,919	5,478,727,132	30,142,567,560
withholding tax on Tenders	769,952,872	1,090,314,756	1,058,271,491	1,498,772,746	1,555,005,699	1,515,749,141	2,068,232,044	2,897,210,643	3,397,927,896	3,601,674,442	3,173,006,172	4,676,838,997	27,302,956,899
													-
Taxes on Financial and Capital Transactions	6,563,136,692	5,124,451,348	5,952,519,622	7,668,822,439	9,153,750,946	12,178,231,562	17,003,486,228	19,413,756,437	20,933,863,318	24,862,172,350	24,606,737,661	28,603,592,343	182,064,520,945
IMTT	6,563,136,692	5,120,443,962	5,949,673,047	7,666,826,905	9,149,962,385	12,112,187,845	16,950,670,346	19,353,744,249	20,866,811,227	24,695,439,688	24,045,997,334	28,547,697,038	181,022,590,717
ATM Levy		4,007,386	2,846,575	1,995,534	3,788,561	66,043,717	52,815,882	60,012,189	67,052,091	166,732,662	560,740,327	55,895,305	1,041,930,229
													-
Other Indirect taxes	75,216,796	109,954,188	106,269,933	94,761,844	242,218,380	357,715,276	421,101,936	508,305,423	447,836,922	550,999,454	593,755,746	585,702,016	4,093,837,913
Stamp duty	75,216,796	106,153,716	102,593,414	93,580,656	207,466,465	316,171,771	397,783,765	502,024,585	411,058,313	550,999,454	589,120,129	459,358,829	3,811,527,895
Other indirect taxes		3,800,472	3,676,519	1,181,187	34,751,915	41,543,505	23,318,170	6,280,838	36,778,609		4,635,616.9	126,343,187	282,310,018
Non-tax Revenue	5,474,704,486	4,810,485,323	5,116,330,696	10,083,896,228	4,860,031,243	4,902,787,383	20,406,087,952	4,865,366,653	11,227,343,792	3,124,143,565	9,437,622,862	15,697,293,919	100,006,094,102
Property income	519,509,614	168,521,726	114,373,298	4,297,027,803	345,880,857	474,732,580	69,092,619	-	116,536,921	291,854,988	208,727,170	167,054,795	6,773,312,370

Interest	85,656,417	78,800,343	49,911,974	27,889,390	105,342,919	74,926,076	68,723,242		116,080,396	113,017,498	61,863,700	167,054,795	949,266,749
Dividends				15,000,000		18,261,905					146,863,470.5		180,125,376
Withdrawals quasi - corporations	433,845,072	77,903,395	64,281,875	4,170,349,547	240,263,273	381,544,599							5,368,187,761
Pension Contribution									456,525				456,525
Rent	8,125	11,817,987	179,449	83,788,866	274,665		369,378			178,837,490			275,275,960
Sales of Goods and Services	4,859,936,822	4,564,952,457	4,858,010,087	5,662,557,301	4,329,183,592	4,084,950,595	20,063,197,113	4,502,226,402	10,778,655,029	2,409,800,983	8,553,709,599	14,820,629,117	89,487,809,096
sales of market Establishments	4,062,046,345	3,538,445,208	3,670,827,344	4,660,000,000	3,895,000,000	1,500,000,000	1,800,000,000	2,367,420,000	4,900,000,000		2,400,000,000	6,000,000,000	38,793,738,897
Administrative fees	604,865,659	783,700,844	942,386,312	887,715,983	318,671,884	2,192,039,052	17,479,521,102	2,068,860,443	5,472,107,847	2,173,627,029	5,087,284,380	8,001,772,716	46,012,553,254
Incidental sale By Non market Establishments	162,685,292	203,900,444	216,242,649	70,637,895	81,168,745	361,586,793	333,484,215	22,592,428	174,010,154	209,369,375	599,151,189	212,825,738	2,647,654,917
Imputed sales of goods and services													-
Rentals	30,339,525	38,905,961	28,553,781	44,203,422	34,342,963	31,324,750	450,191,796	43,353,531	232,537,027	26,804,579	266,677,680	264,773,700	1,492,008,714
Motor vehicle insurance											200,596,350.0	341,256,963	541,853,313
Fines, penalties and forfeits	95,258,051	77,011,141	143,947,312	124,311,125	184,966,794	343,104,208	273,798,219	363,140,251	332,151,842	422,487,594	675,186,093	709,610,007	3,744,972,636
Judicial fines			18,979,358	20,553,252.00	12,898,301.27	13,656,886.93	15,589,752.00	13,266,053.00			123,675,773.71	19,490,712.81	238,110,090
ZIMRA penalties	94,242,044	75,464,528	120,962,986	100,945,660	167,343,778.49	329,447,320.94	254,780,112.67	334,645,039.66	317,765,767	422,487,593.60	551,510,319.66	690,119,294.60	3,459,714,444
Employment related penalties	1,016,007	1,546,613	4,004,967	2,812,213	4,724,714		3,428,355	15,229,158	14,386,075				47,148,102
Total Expenditure	46,798,892,462	65,940,738,934	79,691,931,649	85,281,723,733	113,403,014,665	142,539,779,858	189,708,426,445	207,080,339,979	260,591,295,574	313,695,710,218	295,973,553,306	417,105,805,645	2,217,811,212,466
												598,616,527	598,616,527
Expenses	29,656,302,163	50,644,310,600	65,084,194,259	70,001,175,702	86,235,367,017	98,770,474,774	155,292,967,744	166,846,844,881	217,044,223,936	222,308,516,507	248,560,188,650	340,777,670,382	1,751,222,236,614
Compensation of Employees	13,723,915,688	18,265,231,932	20,714,321,391	22,675,427,590	25,272,832,927	32,280,991,490	52,778,101,201	64,960,177,094	66,815,780,373	85,115,612,522	115,401,590,939	107,086,161,543	625,090,144,690
Wages in cash & in kind	12,471,187,608	16,174,781,000	19,003,589,717	20,710,616,946	23,155,940,281	29,770,098,630	49,427,886,301	63,128,402,021	65,182,634,035	78,434,595,096	106,923,886,602	113,465,226,430	597,848,844,667
Medical Insurance (PSMAS)	632,458,855	638,661,240	654,490,937	872,676,581	999,432,071	1,359,432,350	1,000,148,400	1,001,291,320		1,998,178,000	7,715,917,017	3,999,428,300	20,872,115,071
Social Contribution (NSSA)	453,134	587,380,223	298,938,073	317,023,639	322,908,509	323,652,336	650,987,212	665,398,282		1,328,642,600	659,985,827	(4,265,105,398)	890,264,437
Employer pension contribution	615,598,729	853,059,480	738,793,513	765,544,411	765,297,464	764,969,787	1,595,607,990	16,210,792	1,633,146,338	3,271,111,541	1,433,776	(6,488,203,445)	4,532,570,376
Funeral Expenses	4,217,362	11,349,989	18,509,151	9,566,013	29,254,602	62,838,387	103,471,298	148,874,679		83,085,285	100,367,717	374,815,656	946,350,138

Use of Goods and Services	2,690,662,765	9,987,097,401	18,757,856,698	16,606,802,322	22,021,206,453	25,711,389,733	43,904,929,355	45,207,231,440	43,236,094,854	35,639,591,655	51,251,154,469	80,343,442,532	395,357,459,677
Domestic Travel Expenses	182,973,960	932,478,570	4,071,807,306	3,212,908,863	4,834,514,470	5,496,912,891	7,915,342,775	9,259,927,233	8,264,657,056	4,321,138,516	10,377,379,389	8,290,944,836	67,160,985,866
Foreign Travel Expenses	523,552,062	530,796,447	747,561,477	856,181,986	1,997,696,654	1,934,739,994	854,809,049	3,842,048,713	6,223,021,954	3,628,585,532	10,873,058,987	1,575,958,642	33,588,011,499
Communication, Supplies and Services	85,706,181	645,655,871	1,253,645,648	1,031,612,918	1,011,931,585	1,369,412,699	1,621,430,944	2,491,494,686	1,564,926,810	1,326,283,015	2,686,144,982	2,315,745,518	17,403,990,857
Education supplies and Services		19,812,163	214,771,079	1,042,692,829	132,587,124	171,099,672	38,258,397	79,720,197	23,844,553	8,737,177	2,844,370	26,437,197	1,760,804,758
Medical Supplies and services	1,172,995,029	319,687,502	1,668,003,782	1,090,386,370	549,485,474	1,737,826,676	410,046,524	701,132,316	2,084,228,624	3,684,799,224	861,108,023	9,795,172,040	24,074,871,584
Office supplies and services		821,077,503	892,332,924	362,911,961	1,473,539,211	810,397,323	1,354,321,755	1,210,445,719	300,826,421	371,776,981	455,472,105	819,005,326	8,872,107,227
Training expenses	9,115,230	127,536,789	405,181,527	595,104,117	969,394,742	265,615,480	505,095,354	1,084,636,648	535,626,916	234,818,735	362,948,485	1,948,145,025	7,043,219,046
Rental and other service charges	273,180,976	1,841,911,088	3,552,499,953	2,489,167,228	4,148,890,930	3,852,166,234	6,576,634,528	6,814,478,010	12,856,128,072	7,125,578,671	8,203,371,623	16,206,807,093	73,940,814,404
Institutional provisions	43,547,011	946,435,804	1,756,083,216	1,690,535,063	2,105,638,528	2,487,767,270	4,068,581,605	1,935,187,075	3,848,453,051	2,754,366,775	3,155,246,292	4,146,748,476	28,938,590,165
Other Good and Services	178,018,237	842,998,026	1,379,269,925	932,243,272	1,161,391,793	2,052,525,655	14,452,845,835	10,783,578,890	1,892,308,946	7,554,262,924	5,575,355,032	24,808,451,920	71,613,250,455
Maintenance	221,574,080	2,958,707,638	2,816,699,862	3,303,057,714	3,636,135,941	5,532,925,840	6,107,562,590	7,004,581,953	5,642,072,451	4,629,244,104	8,698,225,183	10,410,026,461	60,960,813,816
													-
Interest on debt	543,355,056	286,497,423	504,074,230	696,479,282	991,259,822	465,688,288	544,418,492	327,479,861	444,599,997	1,043,970,925	1,392,460,393	919,393,389	8,159,677,159
Foreign													-
Domestic	543,355,056	286,497,423	504,074,230	696,479,282	991,259,822	465,688,288	544,418,492	327,479,861	444,599,997	1,043,970,925	1,392,460,393	919,393,389	8,159,677,159
													-
Subsidies	1,550,000,000	1,630,000,000	1,151,557,065	2,400,000,000	2,300,000,000	1,800,000,000	2,615,415,000	1,500,000,000	3,105,883,346	-	13,953,531,311	14,635,071,665	46,641,458,387
Subsidy	1,550,000,000	1,630,000,000	1,151,557,065	2,400,000,000	2,300,000,000	1,800,000,000	2,615,415,000	1,500,000,000	3,105,883,346		13,953,531,311	14,635,071,665	46,641,458,387
Grants	3,369,066,757	6,029,086,491	10,680,252,152	14,499,927,084	24,943,217,848	13,383,873,517	30,431,087,911	35,885,876,449	52,484,462,842	27,372,911,585	47,974,507,212	113,085,081,595	380,139,351,442
o/w extra budgetary units -salaries	1,547,494,707	3,115,234,890	3,117,513,343	3,299,293,184	13,118,067,967	4,461,028,753	13,560,934,575	12,113,398,230	16,722,272,291	13,461,709,867	16,677,357,556	32,036,011,057	133,230,316,419
- operations	1,821,572,050	2,412,216,411	6,662,738,809	10,301,287,984	10,829,992,827	5,219,497,607	9,830,492,821	23,305,210,377	33,818,865,983	13,363,847,245	29,771,540,786	79,319,638,278	226,656,901,178
Transfers to Provincial Councils and local Authorities		501,635,190	900,000,000	899,345,916	995,157,054	3,703,347,157	7,039,660,515	467,267,842	1,943,324,569	547,354,473	1,525,608,870	1,729,432,260	20,252,133,845
Social Benefits	7,759,968,460	13,896,845,158	13,119,547,647	12,931,351,013	10,696,226,308	24,468,987,773	24,601,633,052	18,931,164,245	50,831,404,584	73,133,939,040	18,294,072,659	23,393,888,737	292,059,028,677
Social Benefits	4,871,606,182	10,077,555,233	8,276,466,333	7,873,156,511	4,457,882,012	16,320,966,464	12,378,781,619	5,819,103,717	35,610,082,185	54,143,560,548	1,071,048,244	(5,837,615,964)	155,062,593,085
Pensions	2,888,362,278	3,819,289,925	4,843,081,314	5,058,194,502	6,238,344,296	8,148,021,309	12,222,851,433	13,112,060,527	15,221,322,399	18,990,378,492	17,223,024,415	29,231,504,701	136,996,435,592

Other Expenses	19,333,437	549,552,195	156,585,075	191,188,412	10,623,659	659,543,973	417,382,733	34,915,793	125,997,940	2,490,779	292,871,666	1,314,630,920	3,775,116,582
Subscriptions: Local	321,884	508,966,437	20,122,634	696,735	323,594	6,501,911	10,101,788	4,509,956	13,969,102	2,295,722	7,979,317	1,407,141,376	1,982,930,458
subscriptions: Foreign	19,011,553	40,585,758	136,462,441	190,491,677	10,300,065	653,042,062	407,280,944	30,405,837	112,028,837	195,057	284,892,349	(92,510,455)	1,792,186,124
Non Financial & Financial Assets	17,142,590,299	15,296,428,334	14,607,737,390	15,280,548,031	27,167,647,648	43,769,305,084	34,415,458,701	40,233,495,097	43,547,071,637	91,387,193,712	47,413,364,656	76,328,135,262	466,588,975,852
Building and Structures	2,566,326,767	5,909,720,061	7,177,589,796	5,149,734,571	6,731,949,858	13,111,048,616	14,562,606,549	17,813,911,475	12,034,794,565	49,250,985,288	27,911,089,037	33,631,354,573	195,851,111,155
Machinery and Equipment	1,280,902,500	1,553,523,248	2,403,527,012	1,578,767,928	6,000,435,163	5,367,301,185	5,124,316,800	5,379,530,109	2,313,008,455	9,051,892,764	1,072,026,997	6,648,657,129	47,773,889,290
Other fixed assets	543,773,802	327,686,972		544,941,816	18,539,250	1,969,972,333							3,404,914,173
Inventories (Fuel)	1,130,000,000	1,130,000,000											2,260,000,000
Valuables													-
Non produced Assets													-
Capital Grants to other General Gvt units	4,470,671,730	4,775,609,054	3,698,395,200	7,083,600,379	11,501,112,160	9,965,188,950	7,622,240,552	7,633,332,114	12,001,798,361	16,171,733,305	6,653,717,422	16,464,896,429	108,042,295,656
Loans		59,700,000	469,800,000		59,700,000	1,218,300,000	1,400,000,000	160,492,000	278,000,000	169,356,000	6,633,772,200	5,328,955,131	15,778,075,331
Equity and Investments Fund Shares	7,150,915,500	1,540,189,000	858,425,382		355,911,218	10,637,494,000	5,706,294,800	8,246,229,400	15,903,315,256	15,773,397,500		14,254,272,000	80,426,444,056
Standadised Guarantee Schemes				923,503,337	2,500,000,000	1,500,000,000		1,000,000,000	1,016,155,000	969,828,855	5,142,759,000		13,052,246,192
													-
Surplus/Deficit	8,525,074,787	(15,500,922,774)	(2,681,776,519)	(12,160,975,841)	(19,205,687,165)	14,968,222,451	(13,513,176,738)	(20,255,927,195)	29,146,551,084	(69,063,275,742)	(20,343,180,106)	(41,396,913,734)	(161,481,987,491)
			-										-
Financing	(8,525,074,787)	15,500,922,774	2,681,776,519	12,160,975,841	19,205,687,164	(14,968,222,451)	13,513,176,738	20,255,927,195	(29,146,551,084)	69,063,275,742	20,543,776,456	72,785,413,549	193,071,083,656
													-
Domestic Financing (net)	(11,982,308,298)	11,134,189,802	(5,360,990,121)	14,192,775,457	18,780,591,240	(23,767,551,292)	11,770,142,204	(56,885,107,495)	(28,335,981,727)	75,062,894,657	7,098,213,272	63,389,269,057	75,096,136,756
													-
Banks (net)	(11,982,308,298)	11,134,189,802	(5,360,990,121)	14,192,775,457	18,780,591,240	(23,767,551,292)	11,770,142,204	(56,885,107,495)	(28,335,981,727)	75,062,894,657	7,098,213,272	63,389,269,057	75,096,136,756
Mobilisation	(8,921,073,812)	13,775,143,414	(1,322,341,472)	18,940,307,422	24,521,662,373	(21,353,426,290)	14,910,142,204	(55,228,283,290)	(25,742,953,580)	80,427,894,657	13,228,713,273	67,749,269,057	120,985,053,956
Exchange rate gain/loss	6,389,571,226	9,533,271,113	20,259,066,949	14,697,885,220	164,266,702,775	64,978,276,141	54,096,332,494	64,640,191,499	18,196,700,052	26,110,365,365	30,885,304,282	48,707,069,008	522,760,736,123
Changes in Government Deposits (current accounts)	(25,127,388,650)	8,382,326,830	(2,501,381,593)	5,000,663,852	(32,745,835,894)	(48,133,382,526)	14,985,748,103	(198,273,266,827)	(29,629,278,974)	42,026,022,894	(13,401,368,240)	20,044,679,652	(259,372,461,372)

Changes in SDR balance	(4,035,440,908)	(5,914,865,026)	(11,530,580,277)	(7,893,026,430)	(92,453,453,718)	(41,948,699,429)	(42,902,371,320)	81,148,041,695	1,479,829,917	(4,940,288,642)	(11,749,138,883)	(12,402,826,608)	(153,142,819,629)
Changes in Government Deposits (fixed deposits)	145,493,409	(1,401,123,399)	(6,234,628,798)	3,179,191,330	(16,710,651,484)	(8,745,377,599)	(4,371,822,224)	(10,421,205,542)	(16,786,983,750)	(1,206,945,123)	(2,458,481,787)	(3,262,594,094)	(68,275,129,060)
Changes in ZIMRA Bank Accounts	2,761,365,341	(1,024,466,104)	(2,967,317,753)	2,005,593,451	832,900,695	(7,664,051,265)	(7,575,479,530)	(2,122,044,115)	(1,585,808,047)	14,538,740,162	(11,684,783,060)	(6,617,054,502)	(21,102,404,727)
Treasury Bills	10,945,325,771	4,200,000,000	1,652,500,000	1,950,000,000	1,332,000,000	20,159,808,387	677,734,680	9,800,000,000	2,582,587,223	3,900,000,000	21,637,180,960	21,279,995,600	100,117,132,621
Issuances (TBs)	10,945,325,771	4,200,000,000	1,652,500,000	1,950,000,000	1,332,000,000	20,159,808,387	677,734,680	9,800,000,000	2,582,587,223	3,900,000,000	21,637,180,960	21,279,995,600	100,117,132,621
Repayments	3,061,234,486	2,640,953,612	4,038,648,649	4,747,531,965	5,741,071,133	2,414,125,002	3,140,000,000	1,656,824,205	2,593,028,147	5,365,000,000	6,130,500,001	4,360,000,000	45,888,917,200
													-
Treasury Bills	3,061,234,486	2,640,953,612	4,038,648,649	4,747,531,965	5,741,071,133	2,414,125,002	3,140,000,000	1,656,824,205	2,593,028,147	5,365,000,000	6,130,500,001	4,360,000,000	45,888,917,200
Maturities (TBs)	3,061,234,486	2,640,953,612	4,038,648,649	4,747,531,965	5,741,071,133.0	2,414,125,002	3,140,000,000	1,656,824,205	2,593,028,147	5,365,000,000	6,130,500,001	4,360,000,000	45,888,917,200
													-
Treasury Bills													-
Repayments	-	-	-	-	-	-	-	(2,422,865,301)	-	-	-	664,213,910	(1,758,651,390)
Loans											-	664,213,910	664,213,910
Treasury bills								(2,422,865,301)					(2,422,865,301)
													-
Foreign Financing (net)	(971,385,764)	(811,689,291)	(2,252,149,348)	(157,349,237)	(1,376,371,515)	(2,996,274,661)	(6,326,750,427)	-	(10,463,291,543)	(11,038,205,583)	-	(107,973,664)	(36,501,441,033)
											-		-
Repayments	971,385,764	811,689,291	2,252,149,348	157,349,237	1,376,371,515	2,996,274,661	6,326,750,427		10,463,291,543	11,038,205,583		107,973,664	36,501,441,033
													-
Other Financing (net)	4,428,619,275	5,178,422,263	10,294,915,988	(1,874,450,379)	1,801,467,440	11,795,603,501	8,069,784,961	77,141,034,690	9,652,722,185	5,038,586,667	13,445,563,185	9,504,118,156	154,476,387,932
Mobilisation	4,428,619,275	5,178,422,263	10,294,915,988	(1,874,450,379)	1,801,467,440	11,795,603,501	8,069,784,961	77,141,034,690	9,652,722,185	5,038,586,667	13,445,563,185	9,504,118,156	154,476,387,932
Zimra prepayments & unreceipted funds	(197,643,935)	2,155,794,889	4,931,907,597	2,030,289,687	4,600,030,741	5,279,104,687	8,069,784,961	15,037,231,575	8,146,986,592	4,661,994,535	13,445,563,185	9,504,118,156	77,665,162,670
Temporary deposits									1,505,735,592	376,592,132			1,882,327,725
Outstanding Zimra transfers													-
Out standing payments	4,626,263,210	3,022,627,374	5,363,008,392	(3,904,740,065)	(2,798,563,301)	6,516,498,815		62,103,803,115					74,928,897,538

Source: Ministry of Finance and Economic Development

Annex 2: Summary of Revenue Collections (ZWL\$B): Jan – Dec 2022

	Actual	Target	Variance	(Var %)
Total Government Revenue (Net)	2,056.7	1,667.1	389.6	23.4
Tax Revenue	1,980.1	1,604.8	375.2	23.4
Tax on Income and profits	567.1	474.4	92.7	19.5
Individuals	403.3	269.8	133.4	49.5
Companies	292.6	320.3	(27.7)	(8.1)
Domestic dividend and interest	13.9	206.8	(192.9)	(93.2)
Tax on Goods & Services	736.9	563.1	173.8	31.0
Customs Duties	116.9	94.7	22.2	23.4
Excise Duties	193.7	141.9	51.8	36.5
Value Added Tax (VAT)	426.3	326.5	99.8	30.6
VAT on Domestic Goods	288.8	205.5	83.3	40.5
VAT WHT (Withholding Tax)	47.1	173.4	(126.4)	(72.9)
VAT on imports	169.6	193.8	(24.2)	(12.5)
Refunds	(79.2)	(179.9)	(100.7)	(56.0)
Taxes on financial & capital transactions	153.5	123.4	30.1	24.4
of which IMTT	152.5	123.3	29.2	23.7
Non-tax Revenue	75.9	53.0	22.9	43.2

Source: Ministry of Finance and Economic Development

Annex 3: January – December 2022 Expenditure Outturn by Administrative Classification

Vote Appropriations	Original Estimate	Supplementary Estimates	Revised Estimate	Expenditures to 31 December	Budget Performance
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	%
Office of the President and Cabinet	32,391,219,000	47,155,580,000	79,764,964,800	142,753,092,403	179%
Parliament of Zimbabwe	14,615,082,000	15,000,000,000	29,615,082,000	26,668,052,479	90%
Public Service, Labour and Social Welfare	19,477,330,000	34,897,442,000	54,374,772,000	32,445,042,351	60%
Defence and War Veterans	61,553,280,000	71,515,581,000	133,068,861,000	205,861,075,224	155%
Finance and Economic Development	64,573,566,000	114,159,467,700	163,103,273,078	179,583,349,620	110%
Audit Office	3,014,099,000	1,359,621,000	4,373,720,000	1,912,264,564	44%
Industry and Commerce	3,879,548,000	1,662,529,000	5,542,077,000	3,697,572,817	67%
Lands, Agriculture, Water, Climate and Rural Resettlement	124,049,100,000	100,672,047,300	231,819,030,122	401,747,434,542	173%
Mines & Mining Development	3,020,937,000	1,582,536,000	4,603,473,000	4,032,738,897	88%
Environment, Tourism and Hospitality Industry	3,711,362,000	3,624,581,000	7,335,943,000	5,924,875,458	81%
Transport and Infrastructural Development	60,802,472,000	46,507,434,000	107,309,906,000	149,061,286,632	139%
Foreign Affairs and International Trade	14,877,305,000	3,847,996,000	18,725,301,000	30,796,912,832	164%
Local Government and Public Works	24,315,327,000	12,743,359,000	37,058,686,000	52,014,755,573	140%
Health and Child Care	117,714,215,000	62,210,527,000	179,924,742,000	158,731,328,245	88%
Primary and Secondary Education	124,069,971,000	103,924,501,000	228,994,472,000	272,443,613,032	119%
Higher & Tertiary Education, Science and Technology Development	35,774,248,000	35,036,102,000	70,810,350,000	61,108,516,266	86%
Women Affairs, Community, Small and Medium Enterprises Development	4,734,493,000	3,138,964,000	7,873,457,000	7,672,840,166	97%
Home Affairs and Cultural Heritage	49,417,575,000	61,077,103,000	115,493,678,000	123,423,152,038	107%
Justice, Legal and Parliamentary Affairs	23,524,374,000	19,187,061,000	42,711,435,000	41,915,922,498	98%
Information, Publicity and Broadcasting Services	2,652,674,000	1,012,803,000	3,665,477,000	2,837,197,846	77%
Youth, Sport, Arts and Recreation	7,844,058,000	3,788,551,000	11,632,609,000	11,247,714,807	97%
Energy and Power Development	3,553,865,000	2,369,706,000	8,183,571,000	3,472,438,844	42%
Information Communication Technology and Courier Services	3,294,554,000	4,793,662,000	8,088,216,000	7,437,726,750	92%
National Housing and Social Amenities	10,061,472,000	6,894,719,000	16,956,191,000	14,869,841,487	88%
Judicial Services Commission	4,626,577,000	3,083,046,000	7,764,335,000	11,206,155,469	144%
Public Service Commission	16,023,970,000	40,862,488,000	56,886,458,000	45,650,270,158	80%
Council of Chiefs	671,030,000	500,000,000	1,171,030,000	733,409,804	63%
Human Rights Commission	403,898,000	527,448,000	931,346,000	921,661,791	99%
National Peace and Reconciliation Commission	441,333,000	390,358,000	831,691,000	889,026,658	107%
National Prosecuting Authority	1,629,265,000	1,518,280,000	3,147,545,000	3,440,711,132	109%
Zimbabwe Anti-Corruption Commission	913,713,000	351,394,000	1,265,107,000	1,883,062,587	149%
Zimbabwe Electoral Commission	11,632,813,000	32,693,455,000	44,326,268,000	30,825,167,020	70%
Zimbabwe Gender Commission	497,590,000	507,286,000	1,004,876,000	698,658,257	70%
Zimbabwe Land Commission	1,759,307,000	4,688,411,000	6,447,718,000	2,790,418,668	43%
Zimbabwe Media Commission	510,990,000	238,214,000	749,204,000	738,752,797	99%
Debt Service: Interest Bill	14,367,000,000	3,000,000,000	17,367,000,000	8,159,677,159	47%

Pension	47,641,500,000	62,628,912,000	110,270,412,000	136,280,978,783	124%
Public Service Pension Scheme	6,728,100,000	7,937,543,000	14,665,643,000	7,846,716,902	54%
Transfers to Provincial Councils and Local Authorities	42,539,000,000	10,000,000,000	52,539,000,000	20,564,546,829	39%
		0			
Other Constitutional & Statutory Appropriations	4,960,288,000	2,164,792,000	7,125,080,000	3,523,253,082	49%
		0			
Total Expenditure & Net Lending	990,973,637,000	929,322,470,000	1,897,522,000,000	2,217,811,212,466	117%

Source: Ministry of Finance and Economic Development

Annex 4: Insurance Industry Prescribed Asset Compliance Levels as at December 2022

Name of Entity	December 2022 Compliance Level
Short-Term Insurers: Minimum Prescribed Assets Threshold 10%	
AFC	0.00%
Alliance	4.62%
Allied	2.45%
CBZ	13.46%
Cell	9.40%
Champions	3.18%
Clarion	3.77%
Credsure	3.10%
ECGC	3.93%
Econet	2.96%
Empaya	11.84%
Evolution	6.92%
FBC	7.69%
Hamilton	13.94%
Nicoz Diamond	8.33%
Old Mutual	7.86%
Quality	2.94%
Safel	3.52%
Sanctuary	1.63%
Zimnat Lion	1.42%
Average compliance rate	4.96%
Funeral Assurers: Minimum Prescribed Assets Threshold - 10%	
First Funeral	0.00%
Foundation	0.00%
Moonlight	0.10%
Orchid	0.00%
Passion	0.00%
Ruvimbo	0.12%
Sunset	0.00%
Vineyard	0.00%
Average compliance rate	0.07%
Reinsurers (Short term business): Minimum Prescribed Assets Threshold - 10%	
Emeritus Re	0.20%
FBC Re	13.76%
FM RE	14.17%
Grand Re	4.27%
Muca Re	0.25%
Tropical Re	0.50%
WAICA Re	2.48%
ZB Re	11.14%
Zep - Re	48.75%
Average compliance rate	13.54%