



*MINISTRY OF FINANCE & ECONOMIC DEVELOPMENT*

# **2022 NATIONAL BUDGET STATEMENT**

**PRESENTED TO THE PARLIAMENT OF ZIMBABWE  
BY**

**HON. PROF. MTHULI. NCUBE  
MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT**

**25 NOVEMBER 2021**



*#Budget2022 #Zvakarongeka #Kuqokekile #Tapfumbila*



# Global and Regional GDP growth (%)

	2020 Est	2021 Proj	2022 Proj
World	-3.2	5.9	4.9
Advanced Economies	-4.6	5.2	4.5
United States	-3.5	6.0	5.2
Euro Area	-6.5	5.0	4.3
United Kingdom	-9.8	6.8	5.0
Other Advanced Economies (excluding G7)	-2.0	4.6	3.7
Emerging Market and Developing Economies	-2.1	6.4	5.1
Emerging and Developing Asia	-0.9	7.2	6.3
China	2.3	8.0	5.6
India	-7.3	9.5	8.5
Emerging and Developing Europe	-2.0	6.0	3.6
Latin America and the Caribbean	-7.0	6.3	3.0
Middle East and Central Asia	-2.6	4.1	4.1
Sub-Saharan Africa	-1.8	3.7	3.8
Nigeria	-1.8	2.6	2.7
South Africa	-7.0	5.0	2.2
Zimbabwe*	-5.3	7.8	5.5



# Sub-Saharan African Economies GDP Growth (%)

	2020	2021	2022
Sub-Saharan	-1.7	3.7	3.8
Oil Exporters	-2.5	2.1	2.5
Nigeria	-1.8	2.6	2.7
Middle Income Countries	-4.2	4.8	3.6
South Africa	-6.4	5.0	2.2
Low Income Countries	1.9	4.1	5.3
Ethiopia	6.1	2.0	8.7



# Domestic GDP Growth Rates Projections (%)

	2019 Est	2020 Est	2021 Proj	2022 Proj	2023 Proj	2024 Proj
Overall GDP Growth	-6.1	-5.3	7.8	5.5	5.2	5.2
Agriculture, Hunting and Fishing and forestry	-17.8	4.2	36.2	5.1	3.6	6.5
Mining and quarrying	-12.4	-9.0	3.4	8.0	9.6	3.7
Manufacturing	-8.7	-3.2	6.2	5.5	5.1	6.0
Electricity, gas, steam and air conditioning supply	-19.2	-16.5	19.2	5.4	14.2	2.2
Water supply; sewerage, waste management activities	1.8	8.8	7.7	4.8	13.8	5.4
Construction	-12.4	2.5	7.2	17.4	5.8	5.0
Wholesale and retail trade;	-4.1	-4.8	1.1	4.3	4.1	6.5
Transportation and storage	-12.7	4.1	0.8	3.0	4.6	5.5
Accommodation and food service activities	-8.6	-77.7	6.7	18.8	8.8	6.7
Information and communication	23.1	18.6	5.7	2.4	2.8	5.4
Financial and insurance activities	-8.3	17.6	3.1	5.4	5.0	6.2
Real estate activities	-3.5	-33.7	4.1	1.7	4.7	5.9
Professional, scientific and technical activities	4.5	-26.1	1.0	2.8	1.6	1.8



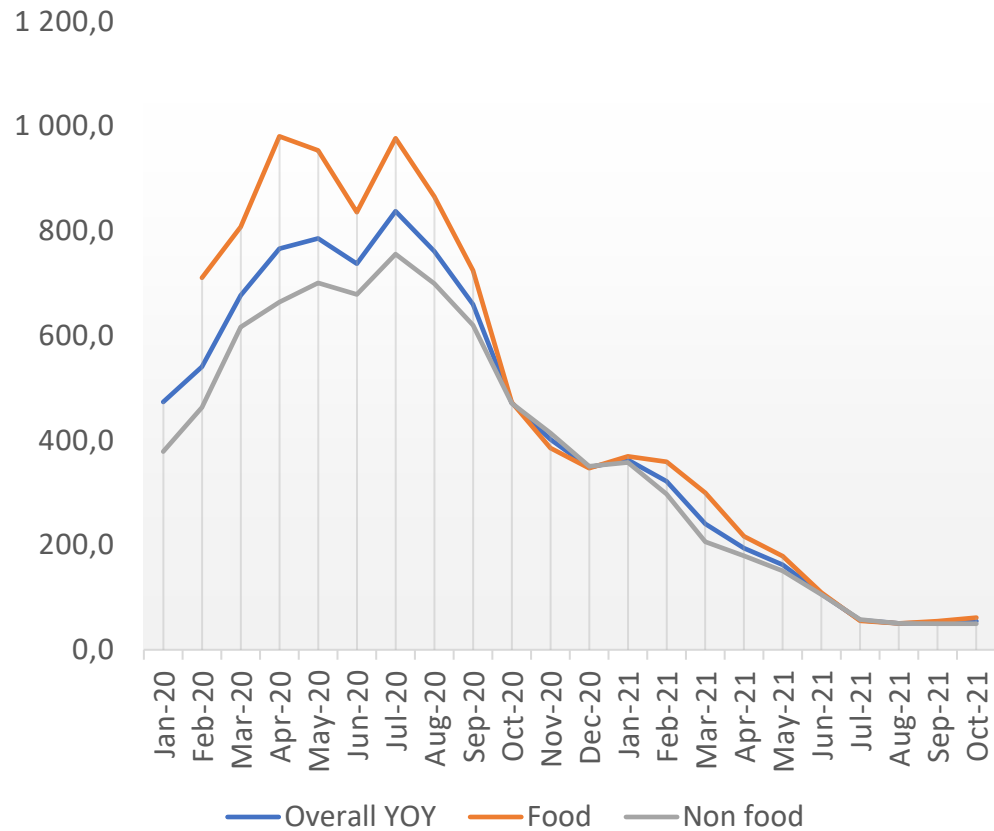
# Domestic GDP Growth Rates Projections (%)

Administrative and support service activities	-1.1	-43.3	0.0	2.0	2.0	1.9
Public administration	1.5	-12.4	2.0	3.3	2.0	2.0
Education	0.9	-9.3	1.7	2.9	5.6	1.7
Human health and social work activities	2.7	76.3	4.6	5.5	3.2	2.4
Arts, entertainment and recreation	-1.3	-46.4	-1.1	3.1	1.3	2.4
Other service activities	0.1	-46.4	-3.0	1.2	1.2	1.2
Domestic Services	-0.1	-17.2	1.1	4.5	2.1	3.5

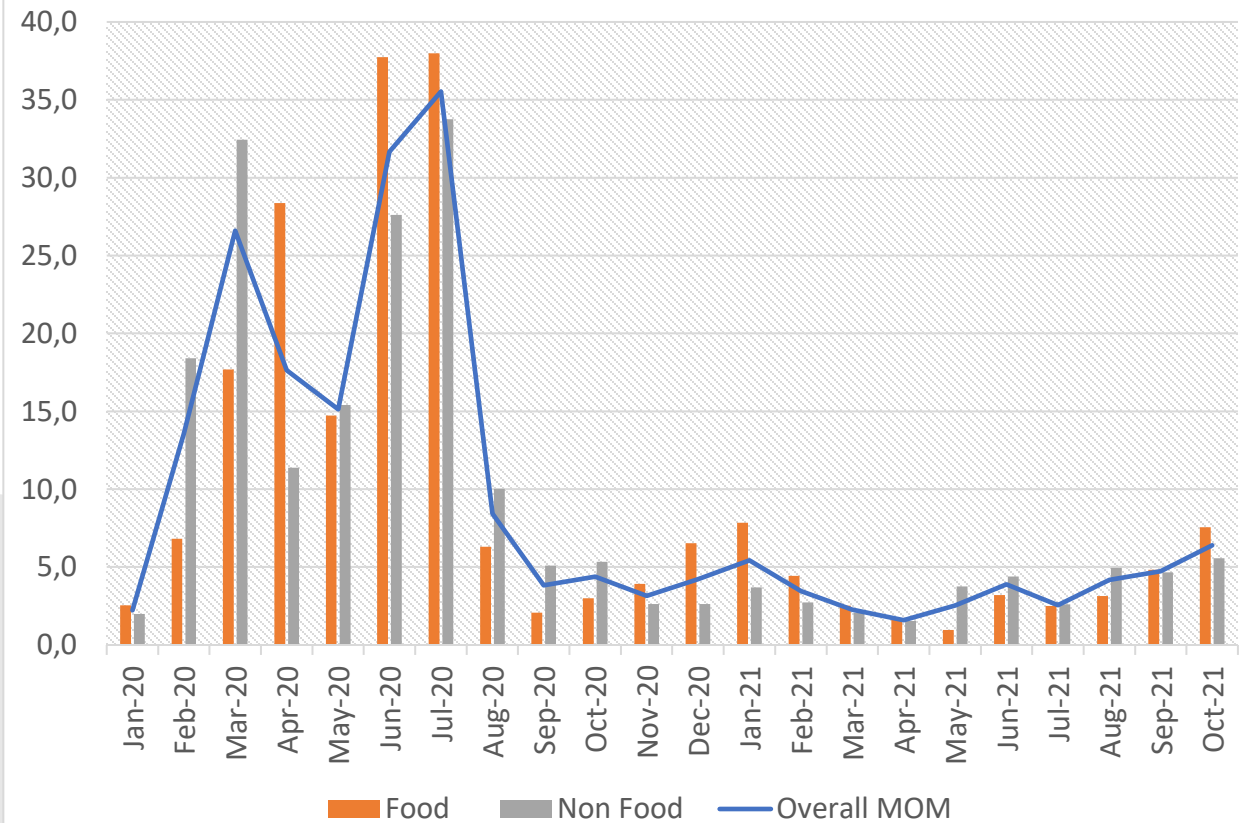


# Annual and Monthly Inflation (%)

### Annual Inflation (%)

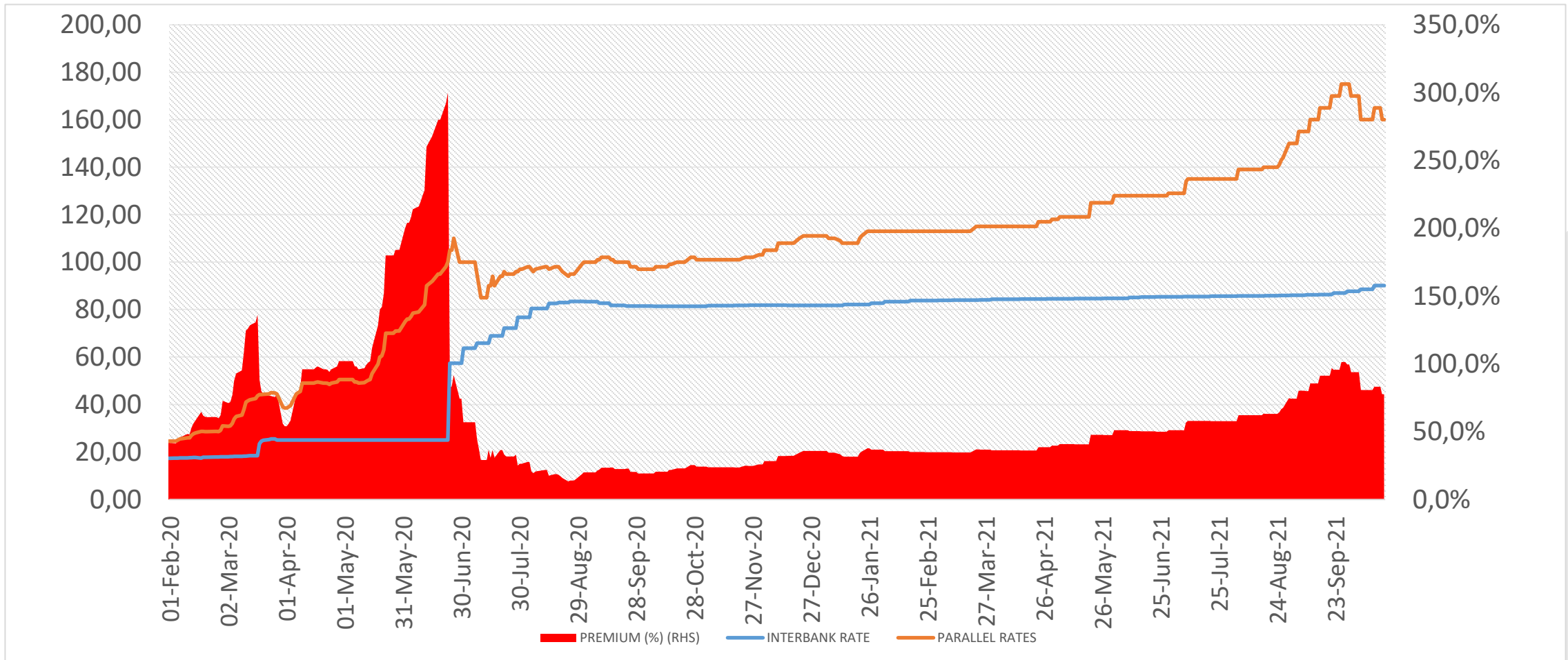


### Monthly Inflation (%)



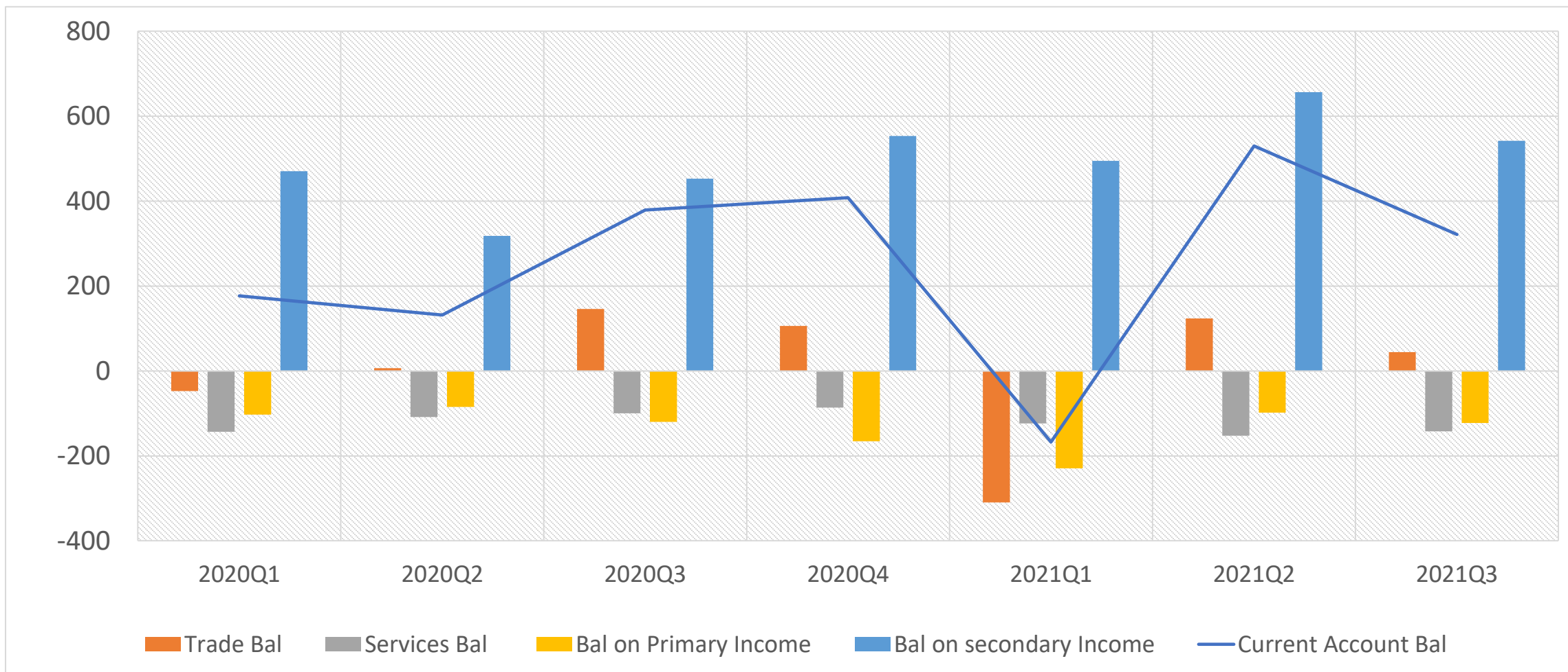


# Exchange Rate Developments





# Current Account Developments







# Merchandise Exports

	2020 Q1-Q3	2020	2021 Q1-Q3	2021*	Q1-Q3 Δ (%)	Annual Δ(%)*
<b>Agricultural</b>	436.2	871.7	522.4	1001.4	19.8	14.9
Tobacco	356.3	741.4	435.8	865.5	22.3	16.7
Horticulture	34.3	39.4	37.5	42.8	9.4	8.6
Macadamia	12.1	13.7	12.9	14.5	6.2	5.9
Hides	9.0	29.6	10.0	31.2	11.6	5.6
<b>Mineral</b>	2639.9	3654.1	3305.8	4400.3	25.2	20.4
Gold	713.9	982.3	788.7	1056.6	10.5	7.6
PGMs	1437.1	1964.4	1787.8	2365.7	24.4	20.4
Chrome & HCF	137.5	183.5	243.9	342.8	77.5	86.8
Diamonds	62.0	150.7	178.6	237.7	188.0	57.7
Nickel	33.7	42.0	52.7	63.2	56.2	50.5
<b>Manufactured</b>	324.2	406.1	225.2	301.8	-30.5	-25.7
Refined Sugar	52.8	65.1	10.3	15.2	-80.5	-76.7
Jewellery	83.4	84.7	2.3	3.5	-97.3	-95.8
Tobacco	40.5	53.6	43.2	56.6	6.6	5.7
Wood	11.8	15.7	13.7	17.7	16.3	13.0
Electricals	18.4	24.5	26.6	32.9	44.6	34.2
<b>Total</b>	3400.3	4931.9	4053.4	5703.5	19.2	15.6



# Merchandise Imports

	2020 Q1-Q3	2020	2021 Q1-Q3	2021*	Q1-Q3 Δ (%)	Annual Δ (%)*
<b>Food Imports</b>	<b>448.4</b>	<b>591.6</b>	<b>289.2</b>	<b>365.2</b>	<b>-35.5</b>	<b>-38.3</b>
Maize	257.3	297.8	109.9	110.4	-57.3	-62.9
Wheat	57.2	102.2	54.8	72.5	-4.3	-29.1
Rice	78.2	106.1	84.1	112.1	7.5	5.7
<b>Non Food Imports</b>	<b>2846.0</b>	<b>4128.1</b>	<b>3905.5</b>	<b>5342.5</b>	<b>37.2</b>	<b>29.4</b>
Fuel	525.0	608.0	361.3	495.1	-31.2	-18.6
Diesel	333.1	381.6	226.2	313.3	-32.1	-17.9
Petrol	155.5	172.4	58.9	79.7	-62.1	-53.8
Raw Materials	918.2	1399.2	1782.1	2413.3	94.1	72.5
Machinery	642.2	971.9	962.6	1341.7	49.9	38.1
Manufactured Goods	271.3	392.9	374.6	508.4	38.1	29.4
Commercial Vehicles	163.1	251.6	275.4	369.6	68.8	46.9
<b>Total Imports</b>	<b>3294.4</b>	<b>4719.7</b>	<b>4194.7</b>	<b>5707.7</b>	<b>27.3</b>	<b>20.9</b>

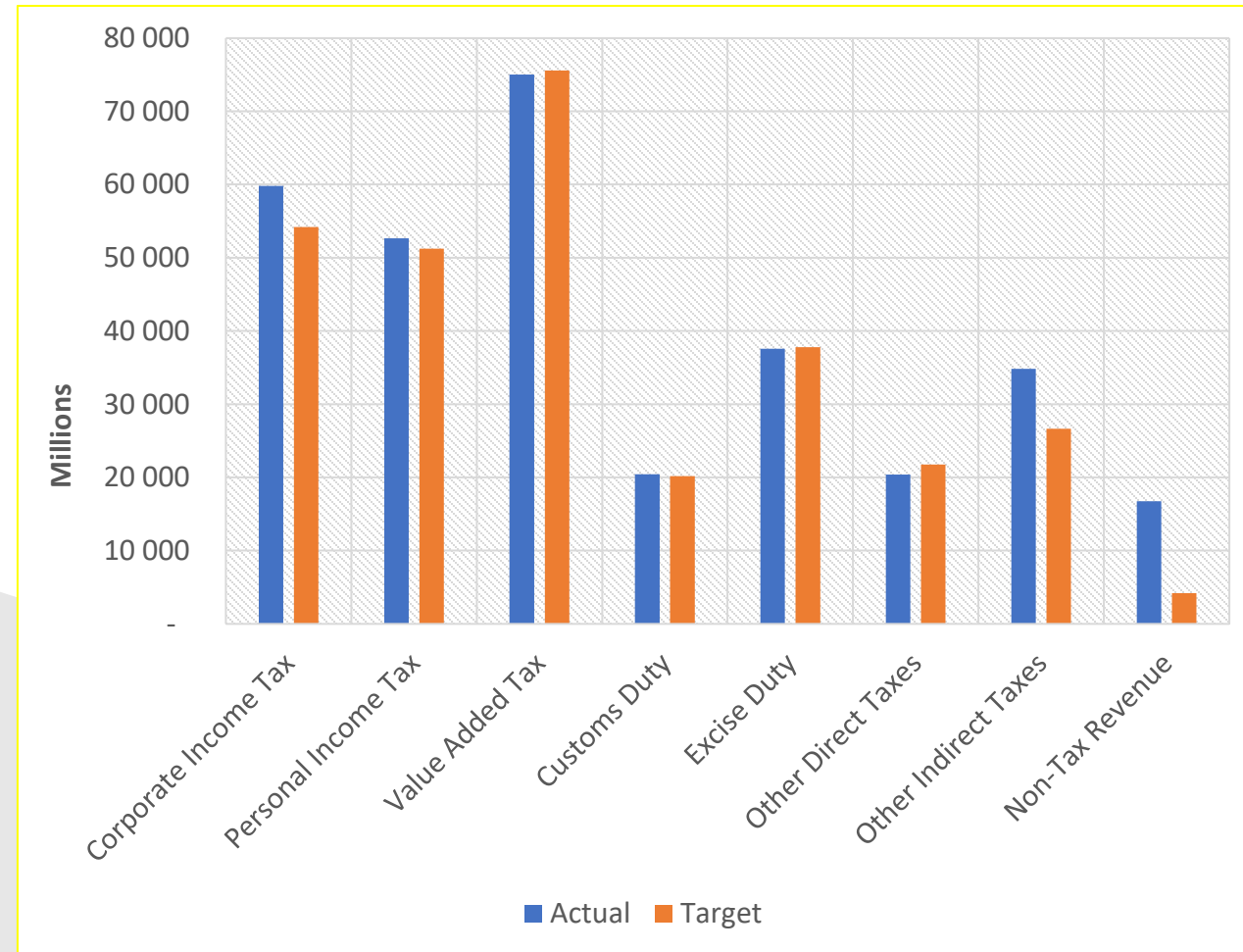
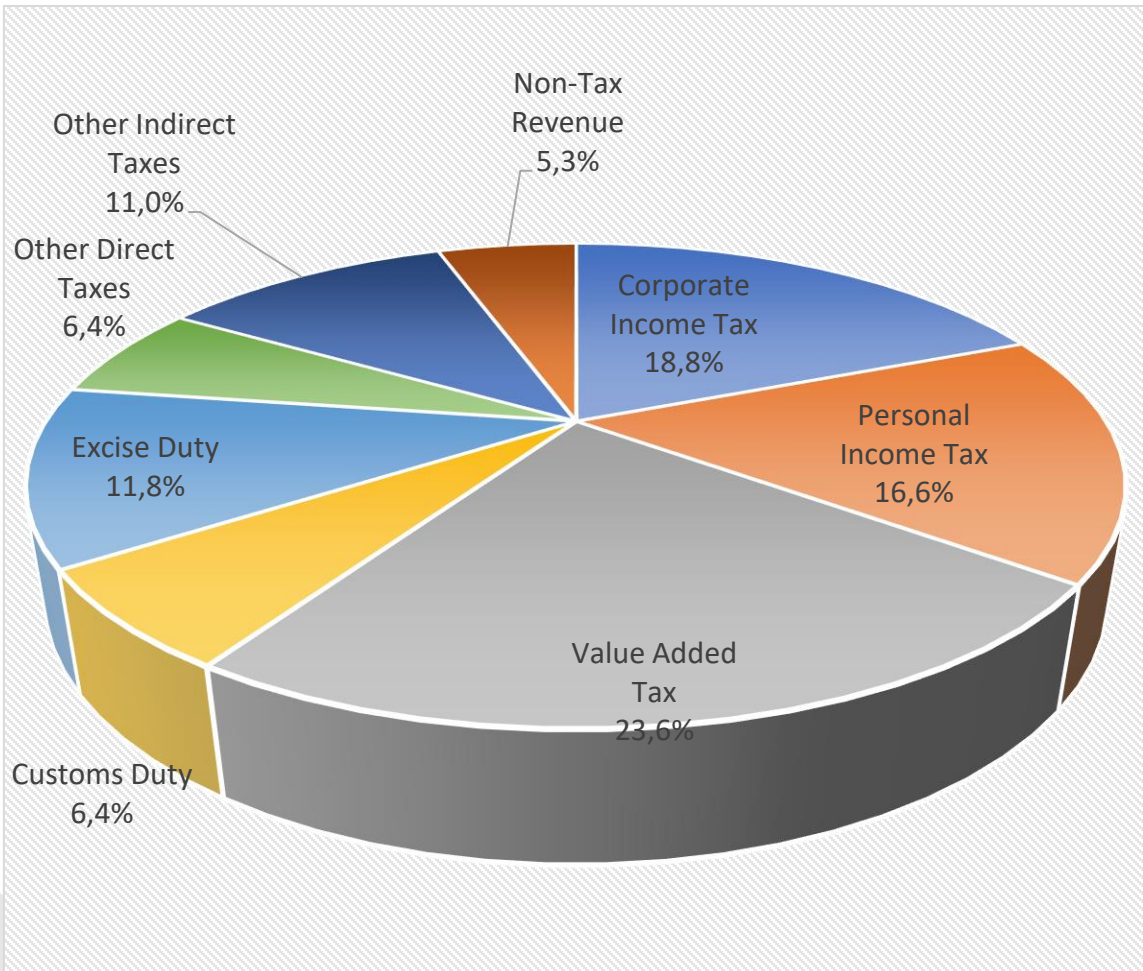


# Revenue Performance: Jan – Sept 2021

	Actual (ZWL\$B)	Target (ZWL\$B)	Variance (ZWL\$B)	% Variance
Tax Revenue	300.6	287.3	13.3	4.6%
Non-Tax Revenue	16.7	4.2	12.5	300.4%
Total Revenue	317.4	291.5	25.8	8.9



# Revenue Heads





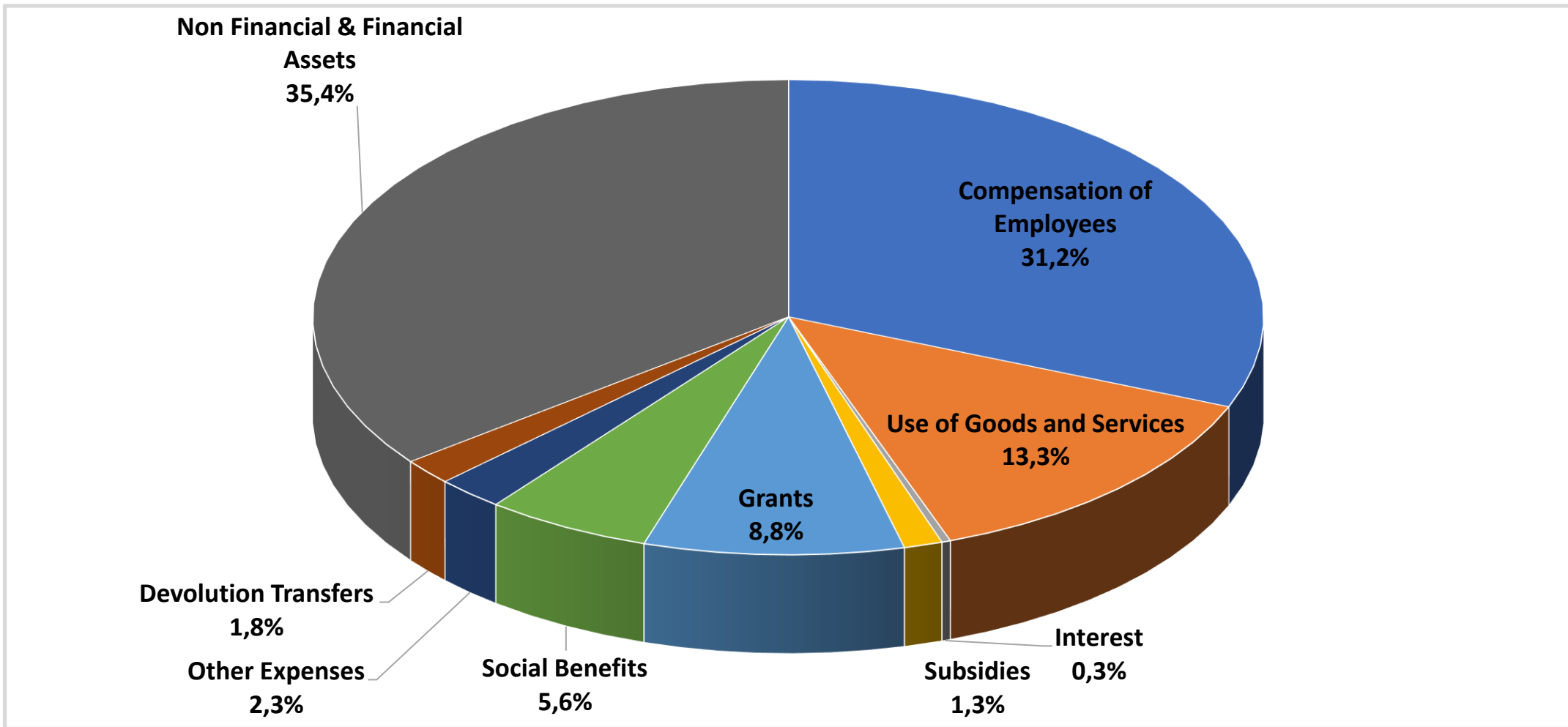
# Current Account Developments

pg12

	Actual	Target	Variance	% Variance
Compensation of Employees	111,609.6	101,084.6	10,525.0	10.4
Use of Goods and Services	47,632.7	51,036.2	-3,403.5	-6.7
Interest	1,076.5	1,117.5	-41.0	-3.7
Subsidies	4,676.1	2,129.0	2,547.2	119.6
Grants	31,557.1	27,595.9	3,961.2	14.4
Social Benefits	20,136.0	9,092.2	11,043.8	121.5
Other Expenses	8,200.0	15,214.1	-7,014.2	-46.1
Devolution Transfers	6,310.8	14,087.1	-7,776.3	-55.2
Acquisition of Non-Financial Assets(Capital Expenditure)	126,775.2	98,054.7	28,720.5	29.3
Total Expenditure	351,663.3	305,324.2	46,339.0	15.2



# Expenditure Distribution





# Public Debt

	Non-Guaranteed			Guaranteed			Grand Total
	DOD	Arrears	Total	DOD	Arrears	Total	
<b>Total Public Debt</b>	<b>2,269</b>	<b>5,182</b>	<b>7,452</b>	<b>4,883</b>	<b>1,388</b>	<b>6,271</b>	<b>13,722</b>
<b>1. External Debt (a+b+c+d)</b>	<b>1,738</b>	<b>5,182</b>	<b>6,920</b>	<b>4,883</b>	<b>1,388</b>	<b>6,271</b>	<b>13,191</b>
<b>a. Bilateral Creditors</b>	<b>1,271</b>	<b>3,320</b>	<b>4,591</b>	<b>22</b>	<b>832</b>	<b>854</b>	<b>5,445</b>
Paris Club	110	2,831	2,942	19	823	843	3,784
Non-Paris Club	1,160	489	1,649	3	8	11	1,661
<b>b. Multilateral Creditors</b>	<b>246</b>	<b>1,862</b>	<b>2,108</b>	<b>0</b>	<b>557</b>	<b>557</b>	<b>2,664</b>
World Bank	162	1,070	1,232	0	291	291	1,523
African Development Bank	31	599	630	0	87	87	716
European Investment Bank	14	167	181	0	179	179	361
Others	38	26	64	0	0	0	64
<b>c. RBZ Assumed Debt (2015)</b>	<b>221</b>	<b>0</b>	<b>221</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>221</b>
<b>d. RBZ Balance Sheet Debt</b>				<b>4,860</b>		<b>4,860</b>	<b>4,860</b>
RBZ Borrowing - Guaranteed				1,448		1,448	1,448
RBZ Borrowing - Non-Guaranteed				72		72	72
Blocked Funds				3,340		3,340	3,340
<b>2. Domestic Debt (e+f+g)</b>	<b>532</b>	<b>0</b>	<b>532</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>532</b>
e. Treasury Bills	426		426				426
f. Treasury Bonds	62		62				62
g. Domestic Arrears	44		44				44



# Development Partner Support

Sector	2021 Estimates		
	Jan to Sept 2021 Actual	2021 Q4 Projection	Total 2021 Estimates
Agriculture	18,717,202	4,718,108	23,435,310
Transport	2,058,000	-	2,058,000
Power and Energy	7,125,160	4,137,130	11,262,290
Water and Sanitation	5,252,823	8,090,379	13,343,202
Health	390,652,661	120,506,320	511,158,981
Education	15,816,660	10,356,750	26,173,410
Governance	27,923,786	11,978,714	39,902,500
Multi-sector	39,720,713	9,140,497	48,861,210
Humanitarian	114,846,020	14,910,195	129,756,215
Capacity Building	4,072,204	1,509,129	5,581,333
Basic Social Services	6,729,350	178,370	6,907,720
Cyclone Idai	14,886,620	16,834,608	31,721,228
<b>Total</b>	<b>647,801,200</b>	<b>202,360,199</b>	<b>850,161,399</b>





# Development Partner Support

Sector	2022 Projection
Agriculture	35,044,224
Transport	1,810,840
Power and Energy	29,992,390
Water and Sanitation	2,601,927
Health	481,227,178
Education	20,996,350
Governance	23,260,642
Multi-sector	37,407,130
Humanitarian	102,000,000
Capacity Building	10,713,167
Basic Social Services	1,216,444
Cyclone Idai	19,624,577
<b>Total</b>	<b>765,165,869</b>



# Macro-Fiscal Framework: 2020-2024

	2020	2021	2022	2023	2024
<b>National Accounts (Real Sector)</b>					
Real GDP at market prices (Million ZWL\$)	177,519.83	191,297.50	201,821.43	212,379.14	223,340.95
GNI Per Capita Income (US\$)	1,171.63	1,261.97	1,303.55	1,620.81	1,933.94
Nominal GDP at market prices (Million ZWL\$)	1,157,099.90	2,987,453.98	5,058,075.91	6,281,441.16	7,487,034.05
Real GDP Growth (%)	-5.3	7.8	5.5	5.2	5.2
Inflation (Annual Average) %	557.2	94.6	32.6	17.5	9.8
Formal employment (000)	806.7	963.2	1095.7	1239.0	1398.9
% of People in Extreme Poverty	61.2	28.2	18.4	12.4	8.4
<b>Government Accounts</b>					
Revenues (excluding Retained Revenue)	183,039.06	495,037.08	850,770.66	1,108,444.7	1,299,677.6
% of GDP	15.8	16.6	16.8	17.6	17.4
Expenditures & Net Lending (Million ZWL\$)	162,925.25	508,992.19	927,268.00	1,218,350.8	1,407,014.6
% of GDP	14.1	17.0	18.3	19.4	18.8
Recurrent Expenditures	108,648.15	363,266.19	676,107.00	876,974.4	987,366.6
% of GDP	9.4	12.2	13.4	14.0	13.2
Employment Costs including Pension	63,121.40	193,261.03	340,000.10	440,248.74	532,424.94
% of GDP	5.5	6.5	6.7	7.0	7.1
% Total Expenditure	38.7	38.0	36.7	36.1	37.8
% of Revenue	34.5	39.0	40.0	39.7	41.0
Capital Expenditure & Net lending	54,277.10	145,726.00	251,161.00	341,376.4	419,647.9



# Macro-Fiscal Framework: 2020-2024

% of GDP	4.7	4.9	5.0	5.4	5.6
Overall Balance	20,113.81	-13,955.11	-76,497.34	-109,906.1	-107,336.9
% of GDP	1.7	-0.5	-1.5	-1.7	-1.4
Financing	-20,113.8	13,955.1	76,497.3	109,906.1	107,336.9
SDR		8,673.8	46,540.0		
Public Debt	705,622.13	828,319.98	1,129,962.99	3,349,912.91	4,937,450.43
% of GDP	61.0	27.7	22.3	53.3	65.9



# SDR proposed utilisation outline

Sector	Priority Area	Allocations	Drawdowns
<b>1. Investments in social sectors</b>			
	<b>Health Support</b>		
	Support to Covid-19 vaccination programs	77	77
	Construction of health infrastructure in regions with extreme poverty (NMS)	35	0
	Support for health consumables and equipment	10	10
	<b>Sub total</b>	<b>122</b>	<b>87</b>
	<b>Education Support</b>		
	Construction of education infrastructure in regions with extreme poverty	10	0
	<b>Sub total</b>	<b>10</b>	<b>0</b>
	<b>Productive social safety nets</b>		
	Agriculture Productive Social Protection Scheme	80	80
	<b>Sub total</b>	<b>80</b>	<b>80</b>
<b>2. Agriculture support</b>			
	Export revolving fund for agriculture targeting floriculture, blueberries and macadamia	30	0
	Small holder farmer irrigation schemes	20	0
<b>3. Industry Support</b>			
	<b>Retooling/revolving fund for new equipment and replacement for the value chains</b>		
	Cotton	10	0
	Leather	10	0
	Pharmaceuticals	5	0
	Other Agro-processing	5	0
<b>4. Infrastructure Development</b>			
	Transport Sector – Harare Beitbridge Road, Masvingo Road Interchange Development Project (Mbuzi) and Emergency Road Rehabilitation Program	144	144
	Housing Development	10	0
	Gold Centres	10	0



# SDR proposed utilisation outline

5. Contingency			
	Contingency Fund	222	0
6. International Reserves			
	Foreign Exchange Reserves	280	0
<b>GRAND TOTAL</b>		<b>958</b>	<b>311</b>



# Projected 2022 SDR Disbursements

Sector	US\$ million
Investments in social sectors (Health - NMS (US\$35m) and Education (US\$10m))	45
Agriculture support (Export revolving fund for agriculture (US\$30m)-Cash Guarantee to banks) and Small holder farmer irrigation schemes (US\$20m)	50
Industry Support - (Retooling/revolving fund for new equipment and replacement for the value chains-Cash Guarantee to banks)	30
Infrastructure Development - Housing Development (US\$10m) and Gold Centres (US\$10m)	20
<b>Total</b>	<b>145</b>



<b>Vote Appropriations</b>	<b>% of Total</b>	<b>Allocations</b>
Office of the President and Cabinet	3.3%	32,391,219,000
Parliament of Zimbabwe	1.5%	14,615,082,000
Public Service, Labour and Social Services	2.0%	19,477,330,000
Defence and War Veterans Affairs	6.4%	61,553,280,000
Finance and Economic Development	3.8%	37,071,937,000
Audit Office	0.3%	3,014,099,000
Industry and Commerce	0.4%	3,879,548,000
Lands, Agriculture, Water, Fisheries Climate and Rural Development	12.8%	124,049,100,000
Mines & Mining Development	0.3%	3,020,937,000
Environment, Tourism and Hospitality Industry	0.4%	3,711,362,000
Transport and Infrastructural Development	6.3%	60,802,472,000
Foreign Affairs and International Trade	1.5%	14,877,305,000
Local Government, Public Works and National Housing	2.5%	24,315,327,000
Health and Child Care	12.2%	117,714,215,000
Primary and Secondary Education	12.8%	124,069,971,000
Higher & Tertiary Education, Science and Technology Development	3.7%	35,456,506,000
Women Affairs, Community, Small and Medium Enterprises Development	0.5%	4,734,493,000
Home Affairs and Cultural Heritage	5.1%	49,417,575,000
Justice, Legal and Parliamentary Affairs	2.3%	22,705,137,000
Information, Publicity and Broadcasting Services	0.3%	2,652,674,000
Youth, Sport, Recreation, Arts and Culture	0.8%	7,844,058,000
Energy and Power Development	0.4%	3,871,607,000
Information Communication Technology, Postal and Courier Services	0.3%	3,294,554,000
National Housing and Social Amenities	1.0%	10,061,472,000
Judicial Services Commission	0.6%	5,445,814,000
Public Service Commission	2.3%	22,752,070,000
Council of Chiefs	0.1%	671,030,000
Human Rights Commission	0.0%	403,898,000
National Peace and Reconciliation Commission	0.0%	441,333,000
National Prosecuting Authority	0.2%	1,629,265,000
Zimbabwe Anti-Corruption Commission	0.1%	913,713,000
Zimbabwe Electoral Commission	1.2%	11,632,813,000
Zimbabwe Gender Commission	0.1%	497,590,000
Zimbabwe Land Commission	0.2%	1,759,307,000





Zimbabwe Media Commission	0.1%	510,990,000
President	0.0%	20,080,000
Parliament	0.0%	12,778,000
Public Service, Labour and Social Welfare	0.0%	53,250,000
Comptroller and Auditor General	0.0%	3,652,000
Justice and Legal Affairs	0.0%	27,381,000
Judicial Service Commission	0.0%	343,157,000
National Prosecuting Authority	0.0%	6,572,000
Council Of Chiefs	0.3%	2,555,418,000
Welfare Services for War Veterans, Ex-Political Detainees and Restricttees and War Collaborators	0.2%	1,910,000,000
Pensions	4.9%	47,641,500,000
General	2.8%	27,501,629,000
Domestic	1.5%	14,367,000,000
Transfers to Provincial Councils and Local Authorities	4.4%	42,539,000,000
Refunds of revenue	0.0%	28,000,000
Grand Total	100.0%	968,268,500,000





# Agriculture Sector Output: 2018-2021 (000 tonnes)

	2018	2019	2020 Est.	2021 Budget	2021 May Rev	2021 Sep Rev	2022 Prj
Overall Growth (%)	8	-17.8	4.2	11	34	36.2	5.1
Tobacco (flue cured)	252	260	184	205	195	210	218
Maize	1831	777	927	1400	2717	2717	2502
Beef	75	63	62	55	64.7	67.76	71
Cotton	144	77	101	102	140	140	140
Sugar Cane	3903	4000	4272	4200	4350	4350	4500
Horticulture	71	77	97	96	98	98	105
Poultry	161	152	148.6	149	156.1	163.5	172
Groundnuts	127	71	87	134	208.9	208.9	210
Wheat	161	95	212	193	280	276	336
Dairy (m lt)	92	96	92	97	97	92	95
Coffee	0.59	1	0.6	0.65	0.6	0.6	0.8
Soybeans	54	60	47.1	80	80	71	78



# Mining Production

	2020	2021 May Proj.	2021 Rev Sept	2022 Proj.
Black Granite \t	164.0	172.9	172.9	180
Chrome \t	1272.1	1500.0	1300.0	1400
Coal \t	2750.9	2834.0	2780.0	2800
Cobalt \t	955.9	227.5	227.5	300
Copper \t	7932.8	8456.0	8456.0	8690
Gold \kg	20873.2	21000.0	22500.0	26500
Iridium \t	836.7	769.4	769.4	800
Nickel \t	16479.9	16500.0	16500.0	16800
Palladium \kg	12889.9	12986.0	12986.0	13856
Phosphate \t	45083.5	39862.0	39862.0	42000
Platinum \kg	15003.9	15100.0	15100.0	15200
Rhodium \kg	1367.5	1370.0	1370.0	1390
Ruthenium (kg)	1026.3	1026.8	1026.8	1040
Diamonds (crts)	2670.5	3000.0	3400.0	3800
Overall Mining Growth Rate	-9.0	2.0	3.4	8.0



*MINISTRY OF FINANCE & ECONOMIC DEVELOPMENT*

**THANK YOU!**

**2022 NATIONAL BUDGET STATEMENT**



*#Budget2022 #Zvakarongeka #Kuqokekile #Tapfumbila*