



GOVERNMENT OF
ZIMBABWE

2024 CITIZENS' BUDGET

"Consolidating Economic Transformation"



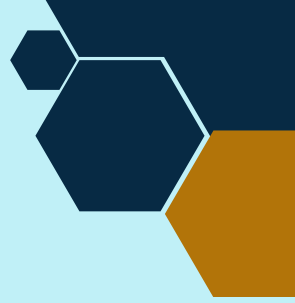
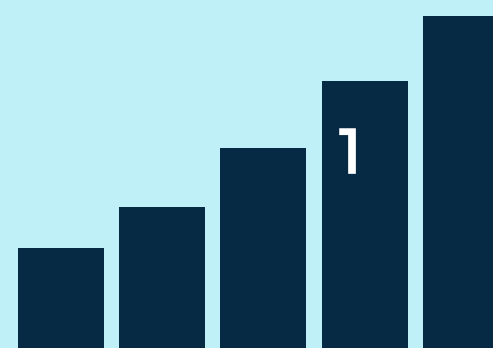


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1. What is a National Budget?

A national budget is a financial plan for how a country expects to spend its money and pay for government programs and services over the coming year. Just like families create household budgets, national governments draft annual budgets to outline expected income sources like taxes and expected expenses like infrastructure, healthcare, defence, education and other priorities. The budget spells out how much money will be allocated to different ministries and departments. It's a blueprint the entire government uses to guide spending. Parliament then debates and decides on the budget. The goal is to fund the essential operations of the country while keeping spending in line with how much money is projected to come in.

1.1 What is a Citizens' Budget?

A citizen budget is a simplified and accessible summary of a government's national budget, designed to inform and engage ordinary citizens in understanding how their tax money is being spent. It translates complex financial data into clear and relatable terms, highlighting key aspects like revenue sources, expenditure allocations, and the impact on public services. Citizen budgets aim to promote transparency, accountability, and public participation in fiscal decision-making.

What does the 2024 Citizens' Budget has in store for us?

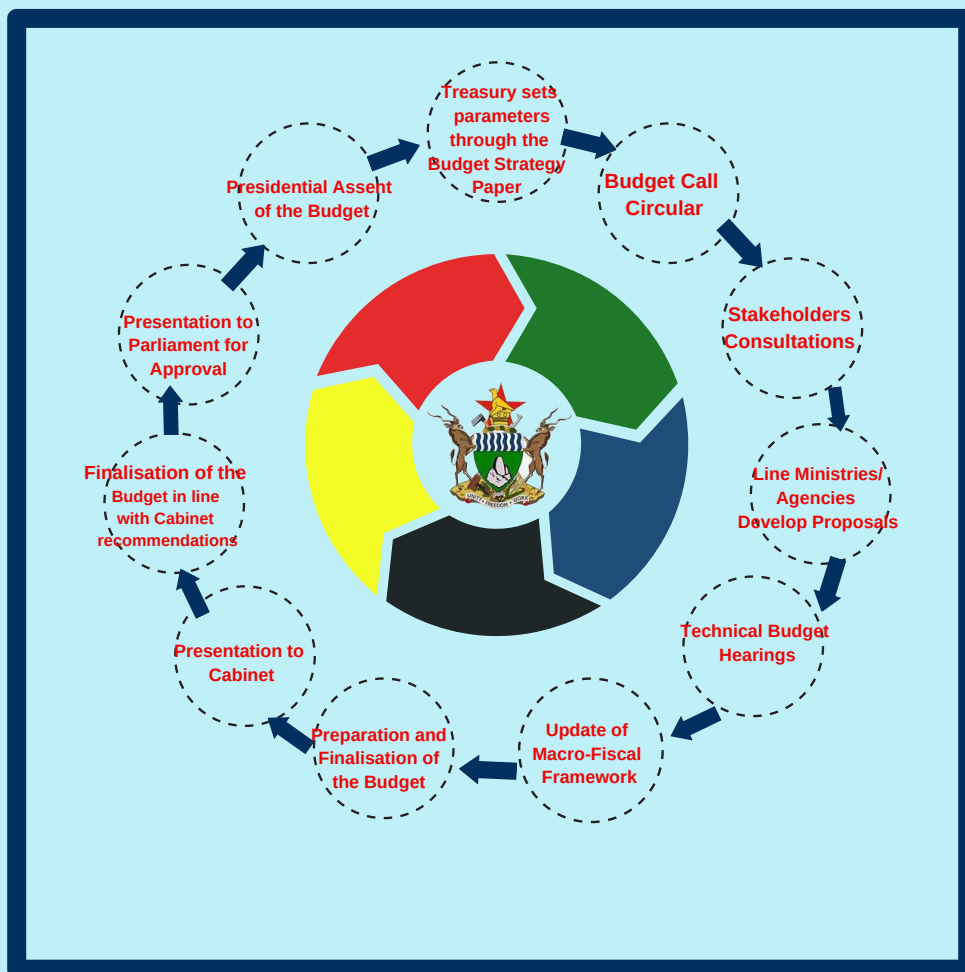


1.2. What is the National Budget formulation process



The budget formulation process in Zimbabwe is a multi-stage process that involves various stakeholders, including the Ministry of Finance, Economic Development and Investment Promotion (MOFEDIP), Parliament of Zimbabwe, labor, citizens, Development partners and the private sector. The process typically begins with the preparation of a Budget Strategy Paper by MOFEDIP followed by public consultations and presentation to parliament for approval and enactment into law.

Figure 1. The Budget Cycle



2.2024 Budget Theme & Thrust

THEME: "CONSOLIDATING ECONOMIC TRANSFORMATION"

2.1 Recap of 2023 Achievements

- GDP growth for 2023 revised upwards to 5.5% on account of better-than-expected output in Agriculture, tobacco, wheat and cotton.



Wheat Production



Harare-Masvingo- Beitbridge Road



Gwaai Shangani Lake



Gold Centres Established







R.G Mugabe International Airport

2.2 2024 Growth Prospects

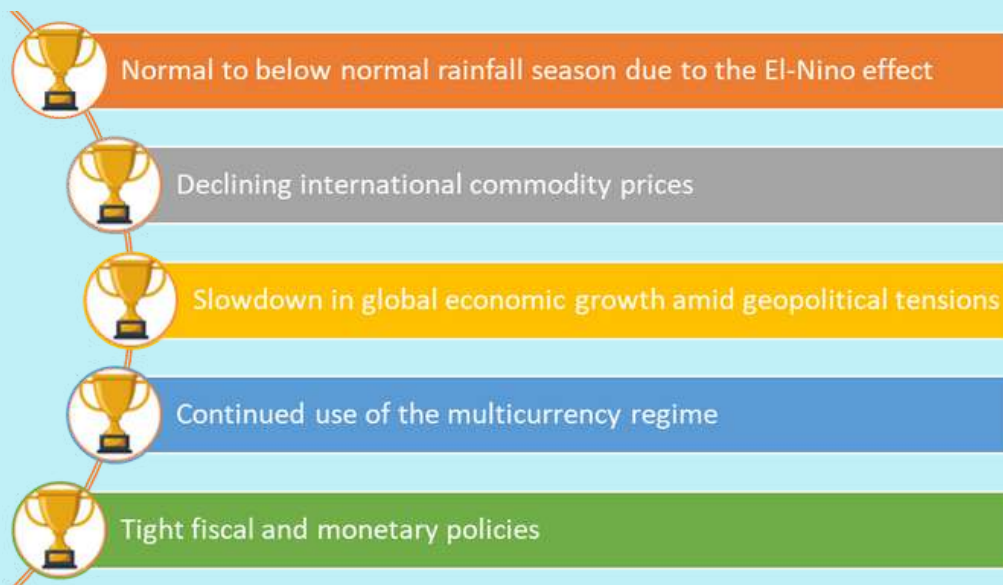
The Zimbabwean economy is expected to grow by 3.5% driven by strong performances in mining, energy and tourism sectors.

Table 2 Main Sectors of Growth and Key Strategies

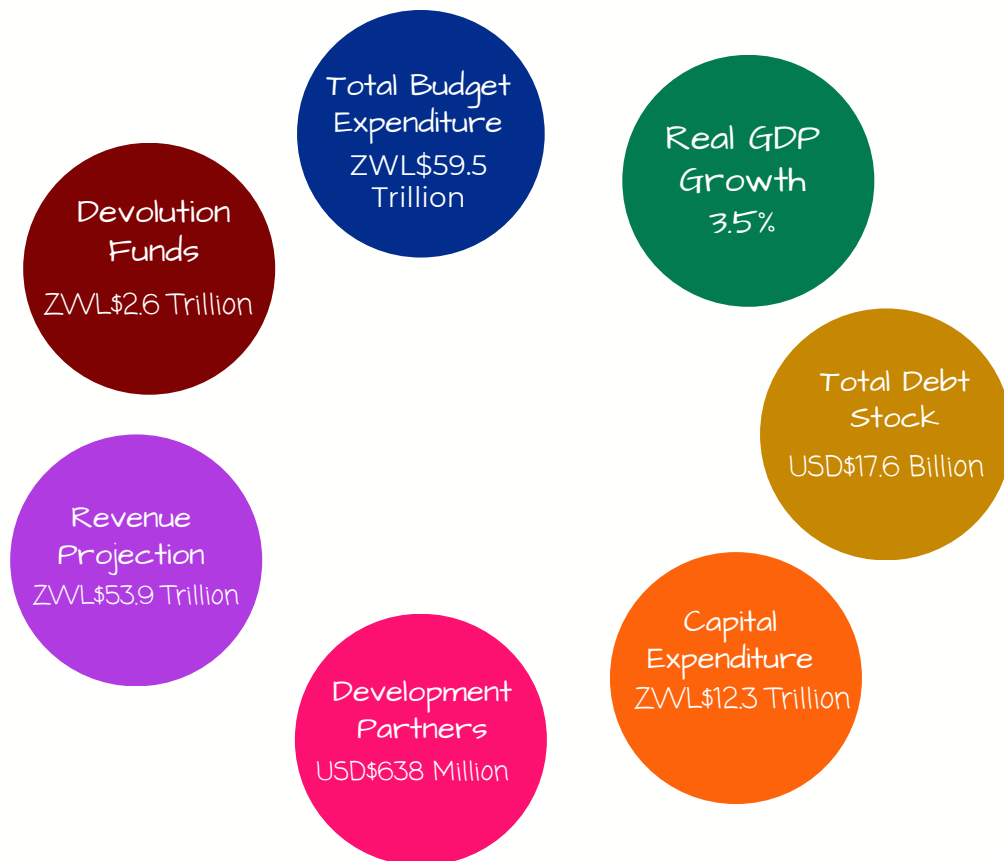
PICTURE	SECTOR	2024 Growth Projections	ASSUMPTIONS
	Mining and quarrying	7.6	<ul style="list-style-type: none"> Increased investment in PGMs, gold, coal and lithium.
	Electricity, gas, steam and air conditioning supply	17.4	<ul style="list-style-type: none"> Full commercialisation of Hwange 7&8. Promotion of private investment in renewable energy sources.
	Accommodation and food service activities	6.9	<ul style="list-style-type: none"> Improved accessibility to Zimbabwe through infrastructure development & entry of new airlines. Increased travel & trade in the region.
	Information and communication	4.8	<ul style="list-style-type: none"> Increased data centric services & renewed focus on digitalisation.

2.3 2024 BUDGET ASSUMPTIONS

The successful implementation of the 2024 Budget is hinged on the following assumptions:



3. 2024 Budget Snapshot



3.1 BUDGET PRIORITY AREAS

The priorities of the 2024 National Budget have benefited from the NDS1 Mid-Term Review as well as input from stakeholders. The focus is on consolidating economic transformation as part of the process to create a resilient and advanced economy that has the capacity to generate decent jobs and higher incomes. Therefore, the 2024 National Budget has nine priority areas as follows:

-  Economic Growth and Macro-Economic stability
-  Supporting Productive Value Chains
-  Infrastructure, ICTs and Digital Economy
-  Youth, Sport, Arts and Culture
-  Women, Gender Equity and SMEs
-  Devolution and Decentralisation
-  Human Capital Development, Well-being and Innovation
-  Effective Institution Building & Governance
-  Image Building, Engagement and Re-engagement

3.2 2024 Sectorial Interventions and Funding



4. Expenditure and Financing

Estimated Expenditure for the year 2024

Total expenditure and net lending for 2024 are estimated at ZWL\$58.2 trillion inclusive of capital expenditure which is estimated at ZWL\$12.4 trillion.



How will the Government finance the 2024 National Budget?

The 2024 National Budget will be financed mainly from revenue resources (**ZWL\$53.9 Trillion**) collected through taxes, royalties, and fees from different sources. The government also expects to receive support from the Private Sector through Public-Private Partnerships and other avenues. Further as indicated in the table below, in 2023 government programs benefited from Development Partner support across various sectors of the Economy. In 2024 we expect a total of **US\$628million** in grants and loans from Development Partners to support various programs and projects.

Development Partner Support

SECTOR	ACTUAL DISBURSEMENTS 2023		PROJECTIONS	
	(Jan- Sep)	Q4 2023	2023	2024
Agriculture	67,827,295	22,661,523	22,725,472	60,127,234
Education	12,149,998	5,934,497	25,347,515	24,962,693
Emergence Response	72,912,655	22,709,030	11,617,228	48,884,362
Energy	21,853,527	2,450,000	13,495,636	9,842,823
Forestry	3,177,485	3,036,937	5,557,488	4,182,305
Governance	45,034,585	12,745,507	45,601,980	29,647,148
Health	309,387,621	106,436,090	213,393,778	435,962,003
Manufacturing & Value Addition	858,291.75	-	5,714,580	1,060,000
Mineral Resources & Mining	0.00	-	212,000	300,000
Other Social Infrastructure & Services	6,992,467	4,578,525	4,809,737	5,350,476
Tourism	0.00	-	820,000	985,821
Trade Policies & Regulations	1,052,524.30	-	1,382,430	-
Transport & Storage	469,000	-	487,000	5,018,000
Water and Sanitation	8,095,143	4,250,000	6,670,000	12,355,012
Total	549,810,591	184,802,109	357,834,845	638,077,877

Source: RBZ

5. Revenue Measures

WHAT ARE THE REVENUE MEASURES CONTAINED IN THE 2024 NATIONAL BUDGET ?



TAX FREE THRESHOLD

Tax-Free Threshold increased to ZW\$750 000 per month or ZW\$9 000,000 per annum. Tax-Free Bonus Threshold increased from ZW\$500,000 to ZW\$7 500 000, with effect from 1 November 2023.



CAPITAL GAINS TAX

Amounts received by or accruing to commercial farmers whose farms were acquired under the Land Reform Programme exempted from Capital Gains Tax.



DUTY ON MOTOR VEHICLES IMPORTED BY SAFARI TOUR OPERATORS

Suspension of duty on new motor vehicles imported by Safari and Tour Operators extended by a further 2 years, beginning 1 January 2024.



CORPORATE INCOME TAX RATE

Corporate Income Tax Rate of restored to pre-COVID-19 rate of 25%, and remains favourable compared to rates obtaining in the SADC Region.



VAT REGISTRATION THRESHOLD

VAT registration threshold reduced from US\$40 000 to US\$25 000, or local currency equivalent, with effect from 1 January 2024.



SUSPENSION OF DUTY ON BASIC COMMODITIES

Suspension of Duty on basic commodities terminated, with effect from 31 January 2024.



LEVY ON SUGAR CONTENT OF BEVERAGES

Levy of US\$0.02 per gram of sugar contained in beverages, excluding water, introduced, with effect from 1 January 2024.

i. Annexure

VOTE	ZWL\$ (Million)
Office of the President and Cabinet	2,157,038.63
Parliament of Zimbabwe	475,112.47
Public Service, Labour and Social Welfare	2,371,042.50
Defence	3,637,636.66
Finance, Economic Development and Investment Promotion	1,704,707.52
Audit Office	116,964.99
Industry and Commerce	130,473.99
Lands, Agriculture, Fisheries, Water and Rural Development	4,285,933.44
Mines & Mining Development	132,708.34
Environment, Climate and Wildlife	135,476.83
Transport and Infrastructural Development	1,153,233.30
Foreign Affairs and International Trade	976,004.05
Local Government and Public Works	1,220,136.19
Health and Child Care	6,311,893.76
Primary and Secondary Education	7,965,973.53
Higher & Tertiary Education, Innovation, Science and Technology Development	2,355,379.81
Women Affairs, Community, Small and Medium Enterprises Development	188,136.70
Home Affairs and Cultural Heritage	3,931,884.37
Justice, Legal and Parliamentary Affairs	1,078,019.36
Information, Publicity and Broadcasting Services	122,360.10
Youth Empowerment, Development and Vocational Training	210,207.26
Energy and Power Development	90,082.79
Information Communication Technology and Courier Services	185,280.61
National Housing and Social Amenities	352,980.55
Veterans of the Liberations Struggle Affairs	221,787.75
Tourism & Hospitality Industry	71,071.79
Sport, Arts and Recreation	136,233.11
Skills Audit and Development	43,045.20
Judicial Services Commission	274,035.50
Public Service Commission	1,428,094.81
National Council of Chiefs	39,938.94
Human Rights Commission	42,117.76
National Peace and Reconciliation Commission	56,007.63
National Prosecuting Authority	98,272.65
Zimbabwe Anti-Corruption Commission	59,642.47

Zimbabwe Electoral Commission	116,600.57
Zimbabwe Gender Commission	48,535.06
Zimbabwe Land Commission	52,937.84
Zimbabwe Media Commission	34,929.51
TOTAL	44,011,918.31
Unallocated Reserve	6,785,233.03
Debt Service: Interest Bill	1,176,218.57
Pension	4,617,934.86
Transfers to Provincial Councils and Local Authorities	2,696,764.92
Other Constitutional & Statutory Appropriations	255,612.57
Total Expenditure & Net Lending	59,543,682.27



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