



MAIN STORIES

2023 Budget

A Different Approach from the West

HIGHLIGHTS

- Finance and Economic Development Minister, Mthuli Ncube, in his 2023 budget, projects total expenditure will more than double to 4.2 trillion Zimbabwe dollars and expects Z\$3.9 trillion in revenue. GDP growth is estimated to slow to 3.8% in 2023 from 4% forecast for 2022.
- Ncube provided the first details of how the new mineral royalty policy will be enforced. The royalty policy that came into effect in October compels miners to pay half of their royalties in minerals and the rest in cash. The plan presented by Ncube breaks the payment down to half in mineral form, 40% in local currency and 10% in foreign-currency cash.
- FBC Holdings Limited (FBC) said the 2023 National Budget would likely be funded by money printing, amid dwindling revenue options.
- Zimbabwe has been invited to the upcoming United States (US)-Africa leaders' summit in Washington despite a crackdown against political dissent. Harare's invitation has drawn criticism with the Joe Biden administration accused of rewarding an increasingly autocratic regime.
- The European Union (EU) launched the Africa-EU partnership programme to promote greener and climate smart agriculture, as well as gender equality and women empowerment, which will see Zimbabwe getting €400 million in financial support. EU ambassador to Zimbabwe, Jobst von Kirchmann, said the initiative showed the EU's commitment to help build stable relations between Harare and the European bloc.
- The EU and Zimbabwe signed two financial agreements totalling US\$46 million under the Zimbabwe-EU cooperation programme to support the health sector and elections. Ncube said the event signified the deepening of development co-operation between Zimbabwe and the EU.

ZIMBABWE



- President Emmerson Mnangagwa wrote in his weekly column that improved relations with the EU saw funds directly disbursed to government which was previously channelled through non-governmental organisations (NGOs). He also sang Von Kirchmann's praises.
- Following the Commonwealth Secretariat mission to Zimbabwe from 12 - 17 November 2022, Assistant Secretary General, Luis Franceschi, said in a short statement that Zimbabwe has made significant progress in its journey to re-join the Commonwealth.
- Cabinet approved the Criminal Law (Codification and Reform) Amendment Bill, 2022 targeting those deemed as undermining the country's national interests. The penalties for advocating sanctions would be up to five years in jail or a large fine, or both. The bill also provides for death sentences for Zimbabweans who conspire with foreign powers to invade Zimbabwe or overthrow the constitutional order.
- Exiled former information minister Jonathan Moyo and former president Robert Mugabe's nephew, Patrick Zhuwao, rejoined Zanu-PF.
- A total of 1,901 politically motivated cases of violence were recorded between January and October 2022 according to the Zimbabwe Human Rights NGO Forum (ZHRNGO Forum).
- The Zimbabwe National Statistics (Zimstats) agency said that between 2020 and 2021 there was an average of 25 armed robberies per day in the country. Since January 2022, there had been a 9% increase in robberies.
- Armed robbers made off with more than half-a-million United States dollars in a midnight raid on Rockodox Service Station in Kwekwe on 28 November. A ZB bank branch in Victoria Falls was robbed of US\$12 000 on 30 November.
- Annual consumer price inflation eased for the third straight month to a five-month low of 255% in November 2022, from 268.8% in October.



ZIMBABWE



- Treasury paid out US\$50,28 million between January and September 2022 towards servicing its active debt portfolio. Total Public and Publicly Guaranteed (PPG) external debt, as at end of September 2022, was estimated at US\$14,04 billion.
- Lawmakers and ministers are in the process of receiving housing loans ranging from US\$40,000 to US\$500,000 each.
- Wheat producers delivered a record volume of wheat of almost 327 000t to the Grain Marketing Board (GMB) by 25 November. The total volume of wheat expected for the season is 380 000t, which is five times more than that produced in 2021.
- The Chamber of Mines said Zimbabwe's miners face rising costs, persistent electricity shortages, foreign currency shortages, an unstable tax framework and capital shortages, which will impact the sector's growth prospects in 2023.
- The EU and the United Kingdom (UK) need to end sanctions and invest in the country's potential as a lithium refiner, Premier African Minerals CEO George Roach said.
- Zimbabwe shipped its first coal to China, exporting 20,000 tons as part of a trial run to a customer in the cement industry.
- Zimbabwe signed an agreement with China's Tsingshan Holdings Group, which plans to set up lithium mining and processing operations.
- The Zambezi River Authority (ZRA) ordered the suspension of electricity generation on the Kariba Dam, which supplies energy to Zimbabwe's power utility, until January 2023 due to a water shortage.
- The Deputy Chairman of Russia's Security Council, Dmitry Medvedev, held a telephone conversation with Mnangagwa. Medvedev reportedly thanked Mnangagwa for his "balanced approach" to the Ukrainian crisis. Medvedev and Mnangagwa also discussed the implementation of a number of economic projects, in particular, in the mining industry.



ZIMBABWE



- The United Nations General Assembly adopted a resolution calling for Russia to be held accountable for breaching international law by invading Ukraine. Fourteen voted against the resolution, including Zimbabwe, and 73 nations abstained.
- Zimbabweans based in South Africa should go home and vote to end the “nonsense” in their country, South African Economic Freedom Fighters (EFF) opposition leader Julius Malema said.
- Former Nigerian president Olusegun Obasanjo blamed Zimbabwe for setting “a wrong precedent” for coups in Africa, referring to the removal of former President Robert Mugabe from power in November 2017.

