



MAIN STORIES

FinScope Zimbabwe
2022 Consumer
Survey

IMF
Recommendations on
RBZ Supervision

HIGHLIGHTS

- President Emmerson Mnangagwa announced the 50 members of the Zanu-PF Politburo. First Lady Auxilia Mnangagwa was appointed as the Secretary for Tourism and Hospitality. Finance Minister Mthuli Ncube is the Deputy Secretary for Finance.
- Mnangagwa called parliament out of recess for an emergency session on 6 January 2023 to discuss the Zimbabwe Electoral Commission (Zec's) delimitation report. Mnangagwa is reportedly unsettled by allegations from 'shadowy groups' linked to Zanu-PF such as Men BelieveED that the Zec is plotting his defeat in elections through the dilution of the party's support bases.
- The Amalgamated Rural Teachers Union of Zimbabwe (ARTUZ) will reportedly embark on an indefinite nationwide strike when schools reopen on 9 January 2023.
- Anti-government activist and Transform Zimbabwe leader, Jacob Ngarivhume, has called for national demonstrations to aid the release of opposition legislator Job Sikhala.
- A former Zanu-PF parliamentary candidate and Youth League Secretary for Bulawayo Province, Khumbulani Mpofu, has been arrested with several suspects for allegedly stealing 400 kilograms of crushed gold ore in Shurugwi, Midlands.
- An International Monetary Fund (IMF) staff team led by Dhaneshwar Ghura conducted a mission to Harare during December 1–15, 2022, in the context of the 2023 Article IV Consultation. Ghura said in a statement that renewed domestic and external shocks (inflation surge, erratic rainfall, electricity shortages, and Russia's war in Ukraine) were adversely affecting economic and social conditions. Real GDP growth is thus expected to decline to about 3.5% in 2022.

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- The Monetary Policy Committee (MPC) of the Central Bank RBZ resolved to maintain the Bank policy rate and medium-term lending rate at current levels of 200% and 100%, respectively.
- Consumer price inflation slowed to 243.8% year-on-year in December 2022, down from the previous month's 255.0%.
- The FinScope Zimbabwe 2022 Consumer Survey revealed that formal financial inclusion increased from 69% in 2014 to 84% in 2022 and financial inclusion overall increased from 77% in 2014 to 88% in 2022. The level of trust with financial institutions has gone down except for Microfinance Institutions (MFIs).
- At the request of the Reserve Bank of Zimbabwe (RBZ), the Monetary and Capital Markets (MCM) Department of the IMF conducted a virtual mission to assist the bank on strengthening its supervision framework.
- The IMF encouraged the RBZ to wind down the use of gold coins. The IMF also recommended accelerating the liberalisation of the foreign exchange market, including through the removal of restrictions on the exchange rate.
- The Confederation of Zimbabwe Industries (CZI) said policymakers must leave the banking system to determine the willing buyer-willing seller exchange rate (WBWS) if they were serious about liberalising the market.
- Zimbabwe has achieved a record so far in wheat production by harvesting 375,000 metric tonnes (mt) at the end of 2022. However, this bumper harvest has left farmers struggling to prepare for the next farming season and settle their debts due to the millions of US dollars they are owed by the Grain Marketing Board (GMB).



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- The sixth edition of the Global Knowledge Index (GKI) report for 2022, states that Zimbabwe is a weak performer in terms of its knowledge infrastructure. It ranks 113th out of 132 countries in the GKI 2022 and 21st out of the 25 countries with medium human development.
- Zimbabwe has prohibited the export of raw lithium from its mines so it can cash in on value addition and stop losing “billions of dollars” in mineral proceeds to foreign companies.
- Water levels at the Kariba reservoir plunged to a record low at the end of December, curtailing power supply to Zambia and Zimbabwe and shuttering the tourism and fishing industries.
- The United Nations Sustainable Development Goals (UN SDG) Fund launched the “Catalysing Investment into Renewable Energy for the Acceleration of the Attainment of the Sustainable Development Goals in Zimbabwe” project. The overall aim is to leverage private investments in order to support Renewable Energy (RE) projects.
- Zambia and Zimbabwe want the African Development Bank (AfDB) to help revamp plans for the joint development of the 2,400MW Batoka Hydropower Scheme after General Electric and China’s Power Construction Corporation failed to offer financing due to the heavy indebtedness of the two countries.
- The United States (US) imposed sanctions on Mnangagwa’s son, Emmerson Junior, several other Zimbabwean nationals and two entities tied to businessman Kudakwashe Tagwirei, who was sanctioned by Washington in 2020 and his company, Sakunda Holdings.
- Foreign Affairs and International Trade minister, Frederick Shava, who attended the US-Africa summit in Washington DC, said there is a need to create a platform for “regular, robust and mutually respectful dialogue” between the US and Zimbabwe.



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- A member of the of the House of Lords of the United Kingdom (UK), Kate Hoey, said Zimbabwe must not be allowed back in the Commonwealth following the continued detention of Job Sikhala.
- In mid-December, Fikile Mbalula, the newly elected African National Congress (ANC) secretary general, said the ruling party “does not support regime change in Zimbabwe.”
- The African Commission on Human and Peoples’ Rights said that Zimbabwe was in breach of the African Charter, ordering authorities and security forces to stop interfering with peaceful public protests.

