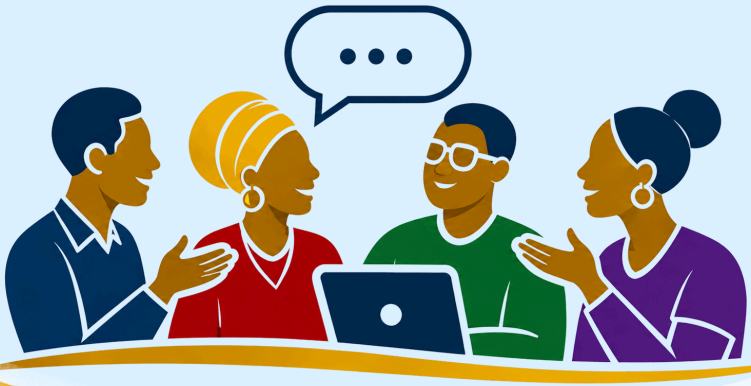
MINISTRY OF FINANCE

2027 CITIZENS' BUDGET

A Citizen-Friendly Guide to the National Budget

"Accelerating Economic Transformation and Building Resilience to Climate and Global Shocks"



MINISTRY OF FINANCE

CITIZENS' BUDGET

2027 BUDGET & ECONOMIC REVIEW

"Accelerating Economic Transformation and Building Resilience to Climate and Global Shocks"

Citizens' Guide To The National Budget

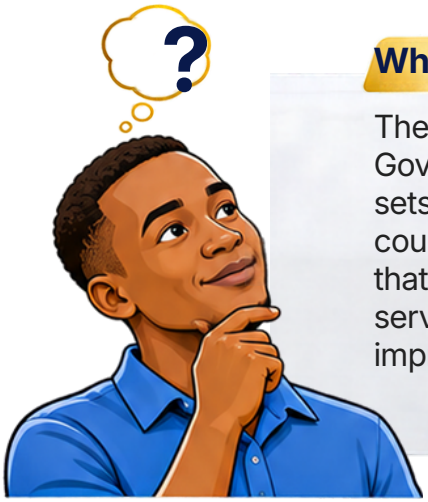
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1. OVERVIEW OF THE NATIONAL BUDGET



What is the National Budget?

The National Budget is the Government's annual financial plan. It sets out how much money the country expects to collect and how that money will be used to deliver services, drive economic growth and improve the lives of all citizens.

Why is the National Budget important?



- Supports the delivery of essential services, including healthcare, education, clean water and road infrastructure.
- Drives economic growth and strengthens productive sectors.
- Helps the country manage risks such as droughts, floods and global shocks.
- Supports a more prosperous, resilient and inclusive Zimbabwe.

2.2026 BUDGET PERFORMANCE SNAPSHOT

Real GDP Growth

5%

Revenue Collection

ZiG224.7 B

Expenditure

ZiG 188.7 B

Exchange Rate (Zig)

ZiG 26.17 per US$ over the first ten months of 2026

Inflation

4%

Foreign Currency receipts

US$15.9 B

Diaspora Remittances

US$2.5 B



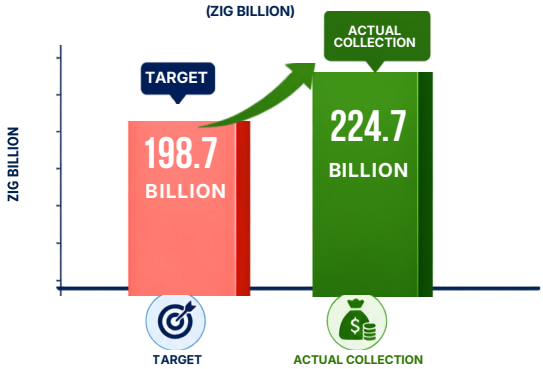
3.2026 GOVERNMENT REVENUE



WHAT IS GOVERNMENT REVENUE?

The money that Government collects from different sources to fund public services and national development.

2026 REVENUE PERFOMANCE



SOURCES OF REVENUE

ZiG 224,672 billion

TOTAL TARGETED GOVERNMENT REVENUE

Tax revenue	ZiG 213,489 billion	95.02%
Non-tax revenue	ZiG 11,183 billion	4.98%

BEST PERFORMING TAX HEADS (JAN-SEPT)

VALUE ADDED TAX

27.8%

PERSONAL INCOME TAX

16.5%

CORPORATE TAX

12.9%

EXCISE DUTIES

8.5%

CUSTOMS DUTY

6.8%

IMTT

5.6%



4.2026 GOVERNMENT SPENDING



What is Government Spending?

Government spending (expenditure) is the money the Government uses to deliver public services, fund development projects and improve the lives of all Zimbabweans.

TOTAL EXPENDITURE: JAN-SEPT

ZiG188.7 B



65%

KEY AREAS OF GOVERNMENT SPENDING



Health

Purchase of cancer treatment machines for Mpilo and Parirenyatwa Hospitals.



Education

Support towards examination fees subsidies, teaching and learning material.



Infrastructure

Construction of critical infrastructure such as roads, dams, clinics and institutional accommodation, etc.



Social Protection

Supporting vulnerable households and communities.

5. WHAT HAS BEEN ACHIEVED?

Over the past period, Government has made significant progress in strengthening the economy, expanding services and improving the welfare of citizens.

A More Stable Economy



- Government maintained macroeconomic stability characterised by exchange rate stability and stable single digit inflation.

Energy



- Government recorded consistent power supply,achieving 312 days of no load shedding through improved electricity generation at state power stations.

Housing & Infrastructure Development



- Construction of decent Government housing and offices in Marondera,Beitbridge, Bulawayo and Harare.

Education and Skills



- Support towards infrastructure, student welfare and innovation at Gwanda State University, Belvedere, Hillside and Mkoba Teachers' Colleges,as well as Mutoko Bioeconomy Industrial Park among others.

Health Services



- Government recorded progress in the construction and rehabilitation of clinics and hospitals across the country as well as the purchase of modern equipment.

Agriculture Food Security



- Increased agricultural production through investment in irrigation development and rehabilitation, pfumvudza/intwasa and supply of tractors among others.

6. DEVELOPMENT PARTNER SUPPORT

Development partners provide financial resources, technical expertise and advisory support to help Zimbabwe advance national development priorities.

PARTNER SUPPORT IN 2026 | **US$361.1 M**

KEY SECTORS SUPPORTED

HEALTH	AGRICULTURE	GOVERNANCE	EDUCATION	SOCIAL INFRASTRUCTURE
US$152.8 M	US$21.8 M	US$16.4 M	US$8.5 M	US$7.9 M

FORMS OF SUPPORT

- Grants
- Technical Assistance
- Humanitarian Support

7. PUBLIC DEBT

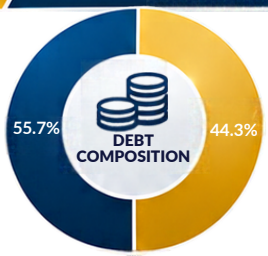


What is Public Debt?

The total amount of money that Government owes to lenders, including both external lenders (outside Zimbabwe) and domestic lenders (within Zimbabwe).

Total Debt: End September 2026

TOTAL PUBLIC AND PUBLICLY GUARANTEED DEBT
US$22.2 BILLION



EXTERNAL DEBT
US$12.4 BILLION (55.7%)

DOMESTIC DEBT
US$9.8 BILLION (44.3%)

Who Do We Owe?

External Creditors (US$12.4 BILLION)

- **Bilateral Creditor** — US$7 BILLION
- **Multilateral Creditors** — US$4.9 BILLION

Domestic Obligations (US$9.8 BILLION)

- Government securities (Treasury bills and bonds).
- Domestic arrears to service providers.
- Compensation obligations to former farm owners.
- Other Treasury-assumed liabilities.

8. 2027 ECONOMY AT A GLANCE

A quick snapshot of Zimbabwe's economic performance and outlook.

GDP GROWTH
3.5%

INFLATION
To remain in single digit

EXCHANGE RATE (ZIG)
To remain stable

PROJECTED REVENUE
ZiG 349.5 B

EXPENDITURE
ZiG358.3 B



2027 KEY ECONOMIC SECTOR PERFOMANCE



MINING
5.1%



CONSTRUCTION
5.5%



MANUFACTURING
5.7%



RETAIL
4.7%

Global Economic Outlook for 2027

KEY HIGHLIGHTS

- Climate shocks, high input costs, declining Overseas Development Aid (ODA) and financing challenges continue to affect SADC's growth.
- Global inflation is expected to decline to 4.1% in 2027.
- International commodity prices which had risen by 23% in 2026 are expected to decline by 7% in 2027 as a result of the Super El-Nino and geo-political tensions.

9. STRATEGIC PRIORITIES FOR 2027

The 2027 National Budget is guided by eleven strategic priorities aligned with the National Development Strategy 2 (NDS2: 2026-2030) and Vision 2030.



1 Macroeconomic Stability and Financial Sector Deepening

Promoting price, currency and exchange rate stability through responsible resource management to enhance confidence in the financial system.



6 Job Creation, Youth Entrepreneurship & Development, Creative Industries, Sport & Culture

Support initiatives to create jobs for the youth through supporting creative industries, sport and cultural activities.



2 Inclusive Economic Growth and Structural Transformation

Enhancing productivity and prioritising agriculture and mineral commodities beneficiation to expand domestic manufacturing base.



7 Social Development, Gender and Social Protection

Facilitating economic diversification and structural transformation to generate decent employment.



3 Infrastructural Development and Housing

Upgrading, modernising and expanding critical infrastructure in transport, energy, water and sanitation to enhance resilience and sustainability.



8 Regional Development through Devolution and Decentralisation

Standardising local economic development plans to align with National development objectives.



4 Agriculture, Food, Climate and Environment

Building of strategic grain reserves and accelerating climate-smart production to guarantee food security.



9 Image Building, International Relations and Trade

Intensifying bilateral and multilateral cooperation to promote trade, investment and devlopment opportunities.



5 Science, Technology, Digital, Innovation and Human Capital Development

Supporting the expansion and modernisation of digital public infrastructure and access to digital services in rural communities.



10 Governance, Institution Building, Peace and Security

Strengthening public institutions,to promote efficiency, transparency, and responsiveness.



11 Investment Promotion

Government is focusing on mobilising productive domestic and foreign investment.

10. MINISTERIAL ALLOCATIONS

Total Budget Allocation

ZiG380.6 Billion





Primary & Secondary

Allocation:

ZiG46.9 B



Health

Allocation:

ZiG33.8 B



Transport & Infrastructure

Allocation:

ZiG10.8 B



Agriculture

Allocation:

ZiG27 B



Defence

Allocation:

ZiG23.4 B



Public Service

Allocation:

ZiG21.4 B



Energy & Power

Allocation:

ZiG1.2 B



Economic Development

Allocation:

ZiG2.2 B



Finance

Allocation:

ZiG30.4 B



OPC

Allocation:

ZiG15.6 B



Industry

Allocation:

ZiG614 M



Tourism

Allocation:

ZiG569 M



Home Affairs

Allocation:

ZiG20.6 B



National Housing

Allocation:

ZiG1.6 B



Skills Audit

Allocation:

ZiG330 M



Youth

Allocation:

ZiG1.6 B



Sports and Culture

Allocation:

ZiG1.3 B



Women Affairs

Allocation:

ZiG1.5 B



Justice

Allocation:

ZiG8.9 B



Higher & Tertiary

Allocation:

ZiG12.3 B



Local Government

Allocation:

ZiG5.3 B



Lands & Rural

Allocation:

ZiG2.0 B



Veterans

Allocation:

ZiG1.9 B



Information Publicity

Allocation:

ZiG580 M



ICT

Allocation:

ZiG1.0 B



Foreign Affairs

Allocation:

ZiG4.3 B



Environment

Allocation:

ZiG702 M



Mines

Allocation:

ZiG986 M

11. REVENUE MEASURES

Government introduces revenue measures to mobilise resources for public services and national development.

TAX RELIEF MEASURES

Proposed changes

01 Personal Income Tax Free Threshold

- Increase tax-free threshold from US$100 to US$150 (ZiG equivalent).

02 Review of Intermediated Money Transfer Tax (IMTT)

- Reduce rates:
  1. ZiG transactions from 1.5% to 1.25%
  2. Foreign currency transactions from 2% to 1.75%.

03 Promotion of Green Energy & Environmentally sustainable transport

- To reduce customs duty on electric vehicles from 25% to 10%.

04 Customs duty on Information, Communication Technology Gadgets

- Review customs duty on cellular phones from 25% to 0%.

05 Duty on assistive devices

- Removal of duty on devices used by physically challenged persons

SUPPORT TO INDUSTRY

01 Fertiliser Manufacturing

- Rebate of duty on fertiliser raw materials, specialised inputs and capital equipment

02 Motor Vehicle Assemble

- Suspend customs duty on selected motor vehicle Semi-Knocked Down (SKD) kits imported by approved local assemblers.

TAX ADMINISTRATIVE MEASURES

04 Cigarette Excise Duty

- Review excise duty on cigarettes from 25% + US$5 per 1 000 sticks to US$15 per 1 000 sticks.



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