BUDGET, FINANCE AND ECONOMIC DEVELOPMENT PORTFOLIO COMMITEE

REPORT ON THE 2022 MID-TERM BUDGET AND ECONOMIC REVIEW & SUPPLEMENTARY BUDGET

Presented by the Committee Chairperson, Hon. Dr. M Nyashanu

1. INTRODUCTION

1.1 Finance and Economic Development Hon. Minister, Professor Mthuli Ncube, on Thursday 28 July 2022 presented the Mid-term budget and economic review statement to Parliament. The Mid-Year budget review statement was meant to highlight details on economic developments during the first half of the year, progress on implementation of the 2022 National Budget and also makes proposals for re-alignment of macro-economic and fiscal policies to the National Development Strategy. Guided by indications of current performance and projected economic statistics, Parliament can consider proposals for necessary fiscal policy interventions to realign the policy thrust towards the broader macroeconomic objectives and poverty alleviation.

1.2 The statement comes amidst a cocktail of interventions that the monetary and fiscal has enacted over the past couple of months, with a view to maintain macroeconomic stability. The economy is grappling inflationary pressures , exchange rate fluctuations, erratic supply of key enablers such as electricity and water, deficiencies in delivery of social and other public services and slow implementation of value addition initiatives. The 2022 National Budget came at a time when the country is battling to contain the negative ramifications of the Covid 19 pandemic, which have extended beyond the direct health consequences, but has had negative social and economic impacts thereby posing a big threat to decades of hard-won development. The Mid-term review is therefore timely as it presents an opportunity to the Minister to update citizens on the state of the economy, implementation of the monetary and fiscal policies and ultimately progress in the attainment on NDS1 objectives.

1.3 The Minister of Finance and Economic Development requested additional spending of ZWL929.3 billion on top of the initial 2022 approved budget of ZWL968.3 billion thus taking the new proposed budget for the 2022 fiscal year to ZWL1.9 trillion. The supplementary budget was unavoidable given the ravaging effects on inflation which stood at 256.94% Year on Year as of July 2022 .On a month on month basis, inflation declined from 30.7% to 25.6% in July 2022. The Zimdollar has thus depreciated sharply from the time of the tabling of the budget on 25 November 2022 to the time of the request for supplementary budget on 28 July 2022. The budget had therefore depreciated from the real figure of US$9.16 billion to US$2.33 billion ((US$1:105.67 at 25 November 2021 and US$1: ZWL$416.29 as at 28 July 2022).

2. COMPLIANCE TO LEGISLATION

2.1 The legal requirements underpinning the preparation and presentation of this statement to the August house are provided for in Section 7(2) (a) of the Public Finance Management Act (PFMA) which requires the Minister responsible for Finance *to "provide full and transparent accounts, from time to time and not less than annually to Parliament, indicating the current and projected State of the Economy, the Public Resources of Zimbabwe and the Fiscal Policy of the Government."*

3. COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

3.1 Credibility of projections

3.1.1 The Committee observed that there have been subsequent developments after the presentation of the Budget in November 2021, both on the global and domestic front which have created enormous challenges for the economy. These include the Russia/Ukraine conflict whose spill overs are being felt through fuel, food and fertilizer price increases and shortages globally. Locally, there was poor rainfall distribution in both space and time across the country after incessant rains in January were followed by prolonged dry spell in the first week of February to end of March. This led to failed crop establishment forcing most farmers to replant several times. Rampant market indiscipline particularly on the parallel market also led to debauched depreciation of the local currency and rapidly increasing inflation. In response to some of these challenges, on the 7th of May 2022, His Excellency, President E. D. Mnangagwa announced a cocktail of measures to restore confidence, preserve value and restore macroeconomic stability.

3.1.2 Depreciation of the local currency and the inflationary environment experienced during the first half of the year resulted in both revenues and expenditures performing above the original targets The committee is however not satisfied with the reliability of Ministry of Finance projections. The underlying assumptions on which the projections were based was wrong and as such, headline inflation steadily accelerated from 60.7% in January to 191.6% in June 2022 and has climbed to peak at 256.9% as of July 2022. The 2022 budget had projected annual inflation, recorded at 54.5%in October 2021 to decline and close at between 52-58%. The revised estimates therefore above the original estimates by close to 100% as indicated below:

	2022 original	Actual(June 30)	2022 revised	% change
Revenue incl grants	850.77	506.6	1740.0	104.5%
Expenditure	968.27	534.5	1897.53	95.97%

Table 9: Public Finance Performance Jan – Jun 2022 (ZWL$ Millions)

	Budget Est	Cum Outturn	Targets to 30 June	Budget Performance
Total Revenues	850,770.7	506,600.0	367,763.7	60%
Tax Revenues	809,388.7	472,351.8	359,162.2	58%
Non-Tax Revenues	41,382.0	34,248.2	8,601.5	83%
Total Expenditures & Net Lending	968,268.5	534,506.6	431,166.5	55%
Recurrent Expenditure	*643,291.8*	*393,104.1*	*286,516.2*	61%
Transfers to Provincial Councils and Local Authorities	42,539.0	7,143.3	18,388.2	17%
Capital	292,161.0	134,259.2	126,262.1	46%
Deficit	76,497.3	27,905.6		

Source: MoFED

The supplementary budget is therefore 96% of the original budget.The Committee therefore calls upon the Macroeconomic Working Group (MWG) comprising Ministry of Finance, RBZ and Zimstat to up their game in terms of improving on their forecasting.

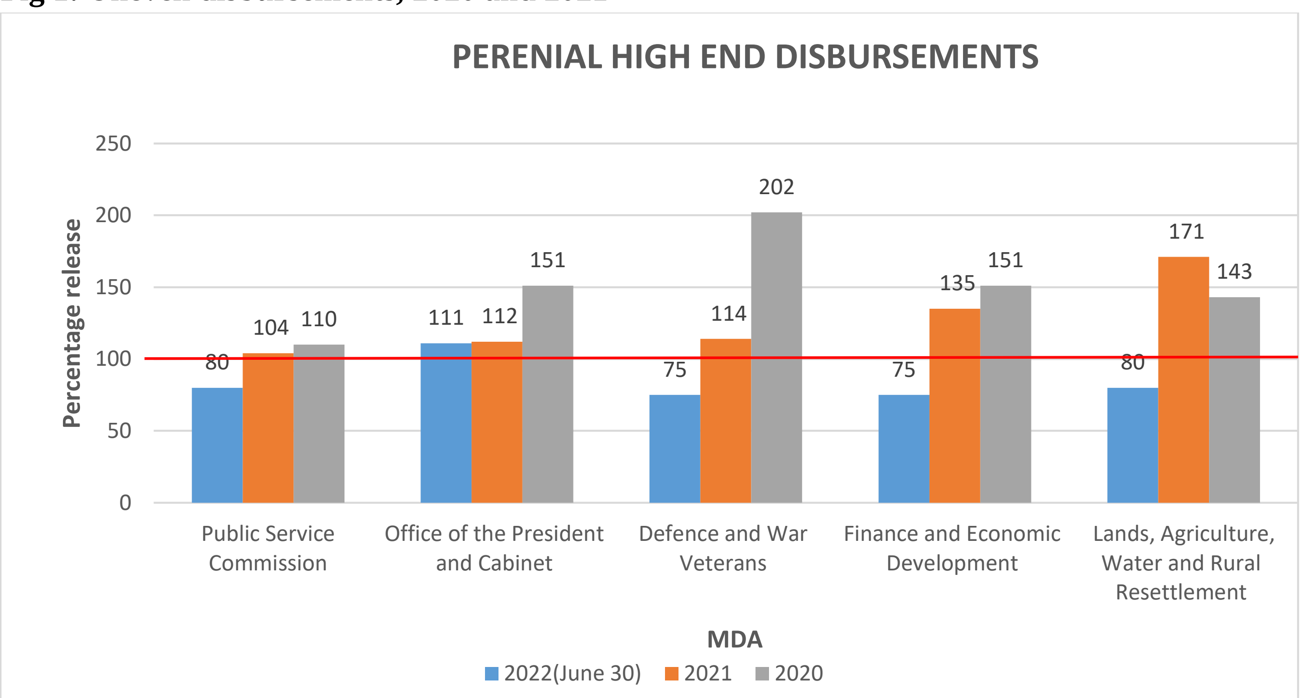
3.1.3 The economy growth rate has been revised from 5.5% to 4.6 % on account reduced output from the 2021/22 agricultural season, compounded by continued depreciation of the local currency and rising inflation. The Committee is concerned with the credibility of this projection given the fact that the 7.8% growth registered in 2021 was largely driven by Agriculture which grew by 33.6%. In 2022, Agriculture is expected to contract by 5% and the should be reflected in the overall growth rate as agriculture contributes significantly to the overall growth. The economy also grapples with inflationary pressures, reduced aggregate demand and forex challenges

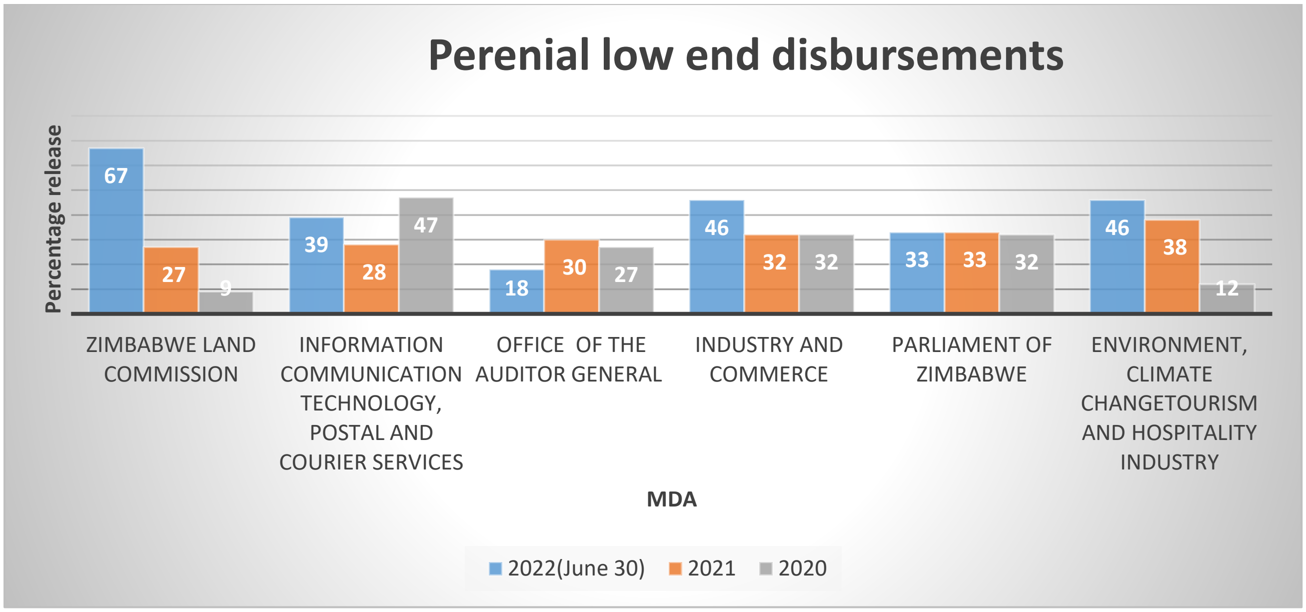
3.1.4 The Committee noted that the statement failed to acknowledge that the surge in annual inflation is attributed to speculative pricing arising from forward pricing practice and adverse inflation expectations and continued arbitrage in the economy following the depreciation of the Zimbabwe dollar against major currencies in the parallel market. The Auction system has not addressed price indexing to parallel market. Credibility issues also creep in as economic agents recall the assurances they were given in the 2020 budget that monthly inflation was expected to fall to single digit figures from the first quarter of 2020 to close the year around 2% on the back of commitment by the Central Bank to fight inflation through implementing an active reserve money targeting programme (Paragraph 51 of the 2020 Budget Statement).

3.1.5 The Committee has observed that inflation is now attributable to broad money expansion rather than reserve money. The 365% annual growth in broad money as at May 2022 was largely driven by increases of 316.9% and 286% in credit to the private sector and net claims on Government, respectively. Reserve money stock had increased to from ZWL$15.89 on the week ending 25 June 2021 to ZWL$33.6 billion as at 30 June, 2022, largely due to growth in statutory reserves. The Committee therefore welcomes the recent hike in the Bank policy rate from 80% to 200% which is meant to curtail speculative demand for credit in the economy, which has been the main driver of broad money expansion.

3.2 **Budget disbursements** – The Committee is concerned with what has selective disbursements to some MDAs while some perennially are underfunded as indicated on fig 1 below:

Fig 1: Uneven disbursements, 2020 and 2021





Source :MOFED

The Committee notes that although deviations from the approved budget sometimes can be unavoidable as they may result from inflation, however, uneven pattern in terms of MDA disbursements is a cause for concern. This points to movement of resources across votes. The Committee calls upon Treasury not to move approved budgets per vote across the different votes without parliamentary approval. The Committee is also concerned with the uneven supplementary budgets wherein some votes got more than 100% of the original budget while some like Parliament got as little as 19% as indicated on annex 1

3.3 **Tax Free Threshold**- The Committee noted that Government is proposing to adjust the tax-free threshold from Z$25 000 to Z$50 000 and widening of the tax bands to end at Z$1 million where a marginal tax rate of 40% will apply with effect from August 1, 2022. The tax-free threshold on US dollar income has remained at US$100. There is therefore a disconnect in the tax bands for US Dollars and Zimbabwean Dollars, given the volatile exchange rate. The Committee calls upon the Ministry review these tax bands (ZW$) every quarter in line with inflation trends, exchange rate or Total Consumption Poverty Line (TCPL) movements. It is important to note that government revenues increase significantly with advances in inflation, enough to exceed revenue targets. It is therefore prudent that government undertakes frequent adjustments in order to reduce the effects of bracket creep and a higher tax burden on workers. At current levels of prices, the Committee proposes a tax-free threshold of Z$100 000 in order to alleviate poverty of the Zimbabwean workers whose majority are now below the TCPL now estimated at Z$140 874 as of July 2022.

3.4 **Agriculture support**-The Committee commends the Minister for proposing to set aside a Supplementary Budget amount ZWL$21.5 billion meant to unlock early delivery of the inputs to vulnerable households in preparation for the forthcoming farming season. This comes after the sector was affected by the uneven rainfall distribution, bottlenecks in inputs distribution and high cost of inputs, among other challenges. As a result, the agriculture sector is now projected to contract by -5%, from the initially projected expansion of 5.1%. The Committee calls upon the Ministry to urgently release the US$ 20 million SDR funds earmarked for development of irrigation schemes. The Committee noted that from the targeted US$145 million drawdown from the SDR during 2022, no amount has been drawn to date and this amount is now targeted to be drawn down during the second half of the year. Realising that Zimbabwe needs at least 2 million MT of maize for both human consumption and animal feeds, Government should aim at irrigating at least 100 000 ha. Channelling more resources to investments in irrigation development and rehabilitation as well as Water harvesting and conservation (dam and canal construction) is the way forward in the face of unpredictable weather patterns.

3.5 **Mining Royalties**-The Committee commends the minister for taking a bold move to ensure that the mining sector pays its fair share in taxes. The Committee noted that the sector contributed about 1.2% of Gross Domestic Product (GDP) in direct taxes to the fiscus in 2021, a significant contrast to countries in sub-Saharan Africa (SSA) which averaged 2% during the same period. This is coming amid reports of firming global mineral prices on the international market. Mining royalties contributed to 2.65% of the revenue realised from January to June 2022. The Minister therefore proposed that the royalty rate on platinum, which was reduced from 10 % in 2015 to 2.5 % in conformity with a court judgement be revised upwards to 5%, which is in line with other platinum producing countries in Africa. The royalty rate of 5% will also apply on lithium with effect from 1 January 2023. The Committee also takes this opportunity to call upon stakeholders to fast track the amendment of the archaic 1963 Mines and Minerals Act inorder to ensure that Zimbabwe benefits from its mineral resources. The colonial era, archaic piece of legislation was crafted in the context of repression of the black majority.

3.6 **Agriculture mechanisation**- The Committee is concerned that the MDFPRS remained mum on the several mechanization programmes which have been initiated by Government as quoted in the mainstream media, in its bid to modernise the sector. The Committee understands that Zimbabwe is set to take delivery of 2300 tractors procured in 2021before the onset of the rains, after 700 have already been delivered. The Committee also understands that Government is working on 3 new facilities for agriculture mechanisation. These will add on to the Belarus Phase 1, Belarus Phase 2, the John Deere Facility and the Bain/BancABC mechanisation facilities. Although these programmes are being administered through banks who on-lend equipment to farmers on an end-user-pay basis over tenure periods ranging from two to five years, the Committee is interested to know whether Government acts as a guarantor to the facilities. This comes after Government in 2015 disbursed farming equipment under Phase I of the More Food Africa International Programme, valued at US$38.7 million which benefited A1 and communal irrigation schemes throughout the country. Parliament has however not been appraised of the performance of these facilities including the Phase II of the Programme valued at US30 million which was earmarked for 2017. Despite these heavy investments in Agriculture mechanization through the Reserve Bank Mechanisation programme launched on 11 June 2007, the $98 million Brazil Facility under the More Food for Africa Programme whose first tranche worth $38,7million was launched in May 2015, and the Iran Facility among other programmes and the recent Belarus facility, the country is yet to make significant strides in achieving food security because of reliance on rain-fed agriculture. Any likelihood of poor rainfall in most parts of the country due to climate change could therefore lead to food shortage. There is therefore need for the country to prioritise climate mitigation and adaptation measures through investments in irrigation infrastructure.

3.7 **Devolution**-The Committee noted the general low utilisation of devolution funds, to which the Minister, in the MDFPRS, said it reflects the need to speed up the development of a regulatory framework and clearly defined structures, including capacitation of personnel responsible for management of the funds and implementation of the project. To date, ZWL$7.1 billion had been disbursed out of an allocation of ZWL$42.5 billion under the 2022 Devolution Budget. The Committee notes that the Ministry of Local Government is still to expedite the Provincial Councils and Administrative Amendment Bill. The legal framework has a role to articulate, define and clarify the powers, functions, roles and relations among the various governance structures. Although the constitution, broadly lays the foundation for devolution, there is urgent need for an enabling act for accountability purposes. In the National Development Strategy 1 (NDS1) on paragraph 728 page 181, the Ministry of Finance and Economic Development has also correctly noted the need for a legal instrument to ensure accountability for the devolved funds. The committee also noted the increase in devolution budget from Z$42.5 Billion to Z$52.5 Billion which represents 3% of the revised revenue projection of Z$1.74 trillion. The allocation to devolution should be Z$87billion for the budget to be in compliance with the constitutional Provision in Section 301 wherein the allocation should not be less than 5% of anticipated revenue.

3.8 **AfDB Facility**-The Committee is concerned with the silence on the African Development Bank (AfDB)'s offer for support to clear Zimbabwe's US$13.5 billion debt and the African Emergency Food Production Facility which Zimbabwe is set to benefit. The statement did not give an official position regarding what the media and the AfDB[1] quoted as an undertaking by the Bank to help Zimbabwe push for clearance of its $13.5 billion debt.

3.9 **Anti-Money Laundering efforts**-The Committee wishes to congratulate Zimbabwe for its removal from the International Cooperation Review Group (ICRG) monitoring in March 2022, by the Financial Action Task Force (FATF) following successful implementation of policies and measures on the Anti-Money Laundering and Combating the Financing of Terrorism (AML/ CFT/PF) framework. The committee calls upon Government to continue capacitating the Financial Intelligence Unit and ensure its independence so that it can perform its mandate effectively.

3.10 **Budget Transparency**- The Committee noted with satisfaction and pride the improved ranking of the country in the 2021 International Budget Partnership (IBP) Report wherein Zimbabwe is now ranked third in Africa, after South Africa and Benin, and 41 out of 120 countries globally. The country scored 59 out of 100 in the 2021 International Budget Partnership Open Budget Survey (OBS), up from 49 out of 100 in 2019. The ranking for public participation however declined to 19 out of 100, from 33 out of 100 in 2019. This implies that Government should do more in providing the public with opportunities to engage in the budget process. Zimbabwe can further improve its score by merely publishing online the reports that different institutions are generating for internal use. The Ministry of Finance and Economic Development should include in the Annual Economic and Fiscal Review Report detailed actual outcomes for expenditures, comparisons between borrowing estimates and actual outcomes and comparisons between planned nonfinancial outcomes and actual outcomes. The Ministry also needs to improve the comprehensiveness of the Citizens Budget and Mid-Year Review.

3.11 **Forex generation and Gold coins-**The Committee noted with gratification the 33% growth in merchandise exports in the first half of 2022. The Committee is however concerned that despite Zimbabwe realizing US$3 516.5 million in the first half of 2022, from US$2 649.7 million in 2021, the country still grapples with inadequacy of forex due to the confidence deficit which has seen people

[1] https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-and-partners-work-together-zimbabwes-debt-action-plan-53272

shying away from formal banking channels. Remittances to the country improved significantly, with a positive impact on the current account balance although the statement did not provide any figures. To provide investors with alternative tools for storing value, government introduced gold coins in the market on the 25th of July 2022. While this is a noble idea, the Committee is concerned that the coins are being sold at an overvalued interbank rate given that the premium (Gap between official and parallel market rates) is now over 90%. The committee therefore urges Government to investigate and ascertain whether the huge demand in gold coins emanates from the genuine need to store value or is linked to the huge arbitrage opportunities created by the exchange rates misalignment.

3.12 **Banking supervision**-Related to the above, the Committee calls upon the RBZ to strengthen its monitoring mechanisms to curb nefarious activities in the banking sector which fuel the parallel market. Punitive measures must be put in place for individuals and institutions found on the wrong side of the law. Regular compliance checks should be preferred to abrupt policy announcements and reversals which cause havoc in the market and are a source of the current lack of confidence.

3.13 **Intermediated Money Transfer Tax-The** Committee welcomes the review of the IMTT Tax-Free Threshold from ZW$1,000 to ZW$2,500 for individuals and for corporates from ZWL$1,320,000 to ZWL$3,300,000 on transactions with values exceeding ZWL$165 million. This move is meant to cushion low-income earners and high-volume businesses. The Committee, however recommends revision of the IMTT minimum threshold to Z$10 000, if the tax relief measure is to make a meaningful impact on the lives of the people.

3.14 **Update on Taxation on mobile phones**- The Committee is concerned with the lack of an update on the implementation and performance of the taxation on mobile phones which was introduced in order to curb tax evasion on new cellular telephone handsets which attract a 25% customs duty (but can be easily concealed). The 2022 budget introduced a levy of US$50 which is to be collected prior to registration of new cellular handsets by Mobile Network Operators (MNOs). The Committee recommends that the levy be scrapped to encourage use of ICTs and government can recoup this forgone tax from increased use of cellphones on airtime levy and IMTT.

3.15 **Outstanding tax recovery mechanism**-The Committee welcomes the efforts to enhance tax compliance through a temporary closure of operations for business that owe ZIMRA. This is being proposed following the realization that as at 30 June 2022, ZIMRA was owed ZW$23.05 billion and efforts to recover the outstanding tax debts have been hindered by the diversion of funds from company accounts that can be garnished by ZIMRA to other accounts not linked to the business or the proprietor. This move should however be counterbalanced with the need to support business growth and therefore should be the last resort after exhausting all the other available remedies.

3.16 **Withholding tax**- The Committee noted the proposal to hike withholding tax from 10% to 30% of the value of imported commercial goods, with effect from 1 August 2022 in order to push non-compliant cross border traders to get their tax clearance certificates on time. The increase of the tax in a situation where close to 75% of the economy is informal will lead to a blanket increase in prices of goods and services to cover for the amount withheld for non-compliant suppliers. The Committee is concerned that this increase comes aginst the background of ZIMRA consistently failing to issue tax clearance certificates on time to various businesses and running behind schedule in processing tax rebates.

3.17 **Designation of ZIMRA as the Interim Ports Authority**-The Committee welcomes the designation of ZIMRA to be the interim border controller while efforts to establish a Ports Authority to manage affairs at the Border Posts are underway. ZIMRA will then ensure that only registered agents work inside the border. ZIMRA has to urgently ensure coordination of all agents at ports of entry which was lacking thus leading to delays in clearing traffic and travelers. The Committee, in its report on visits to border Posts undertaken in June and July 2019 had noted that the police and ZNA at some border posts were duplicating efforts by repeating searches that could be undertaken together under one roof and enhance border efficiency. With this additional mandate, there is need for adequate funding of ZIMRA to allow for system upgrades and smooth execution of its duties. In that regard, ZIMRA must be allowed to retain a certain percentage of the revenue for its operations. This will allow for ZIMRA to be adequately equipped with the proper tools of trade such as computers, scanners, drones, surveillance cameras and vehicles. The Zimbabwe Revenue Authority will, thus, ensure orderly, efficient and reliable Port services while at the same time providing seamless service to Government in revenue collection. Realising that there is a risk of ZIMRA being both a player and regulator, there is need to speed up the process of establishing the Ports authority which was mooted more than a decade ago.

3.18 **Zero rating of bricks** The Committee noted with appreciation the zero rating of bricks meant to stimulate construction and housing development. The Committee recommends that the brick making industry be reserved for locals with a view to empower youths in particular to venture into the brick making industry.

3.19 **SDR Allocation-** The Committee is concerned that despite the Ministry of Finance undertaking to consult Parliament before the utilisation of SDRs, reports indicates that Treasury has already withdrawn US$280 million from the facility on 7 October 2021 and 0n 9 December 2021, with most of the funds going to the rehabilitation of the Harare-Beitbridge Highway and the remainder being allocated to Covid-19 vaccination programmes. The Committee recalls the response given by the Leader of Government business in the National Assembly in response to a question by Hon. Mliswa on 18 May 2022 that no disbursements will be made without consultation with Parliament. The Committee therefore calls upon the Minister of Finance to consult Parliament in the utilisation of the SDRs set aside as contingency reserves. The Committee also calls upon the Minister to include a report on the utilisation of SDRs so far in his MDFPRS. Moreover, the Committee calls upon the Auditor General to thoroughly audit the utilisation of the SDRs

4. RECOMMENDATIONS

a. Treasury should improve on the releases and predictability of resources to MDAs. There is need for equity in the distribution of resources by MDA and programme. Erratic releases impede on the ability of Ministries to achieve what they set out to achieve in their strategic plans and as reflected in the blue book. Payment runs should be quickly honoured and Treasury should not authorize budget releases not linked to the cash availability.Where possible, capital releases should be once off so as to preserve value for money and facilitate realization of economies of scale.

b. Realising the 96% supplementary budget that was proposed by the Minister, the Macroeconomic Working Group should improve on the estimation of the macroeconomic factors affecting the economy including external shocks so as to keep the budget within a scientific error margin.

c. There is need to review Constituency Development Fund (CDF) taking into account the effect of inflation to enable Parliamentarians to finish the projects that they had started or had planned. The CDF Budget should be made available for disbursement immediately so that Hon Members can do meaningful development projects well on time before the year ends and before cost escalation.

d. Mining royalties should be aligned to the regional averages, to ensure that Zimbabweans benefit from the finite mineral resources.

e. Treasury should honour its promise to submit to Parliament within **2 weeks** a report on the utilisation of SDRs so far.

f. ZIMRA must be allowed to retain 3% of the net revenue collected for its operations beginning 2022 fiscal year. This will ensure that the Authority is adequately capacitated to pursue revenue enhancement measures and plug revenue leakages.

g. Government should speed up the setting of a permanent Ports Authority in the same manner that the Airports Company of Zimbabwe (Private) Limited (ACZ) was established. ACZ was formed through the Civil Aviation Amendment Act, 2018 (No.10 of 2018) mandated to acquire, establish, develop, maintain, manage, control and operate airports. The Ministry of Finance should craft a bill to establish a Border Posts Authority by September 2023 so as to correct the misnomer of having ZIMRA being both a player and regulator.

h. The IMTT minimum threshold should be increased to Z$10 000, for the tax relief measure to make a meaningful impact on disposable income and on the lives of the people.

i. There is need to speed up enactment of a legal instrument to ensure accountability for the devolved funds as such, the Provincial Councils and Administrative Amendment Bill which is expected to clearly define roles, responsibilities and parameters for the three tiers of government to avoid duplication of functions should be fast tracked and brought to Parliament by March 2022.

j. The overdue Mines and Minerals Amendment Bill should be promulgated into law. This will in turn usher in the necessary processes for the amendment of the Precious Stones, and Gold Trade Acts to facilitate growth of the mining industry and the nation as a whole. There is also need to effect the cadastre system and employing digital technology in the mining sector so that there is constant surveillance of mining operations through the country.

k. The committee recommends that the Minister of Agriculture, Water, Fisheries and Rural Resettlement to bring to the house a Statement on the operationalization of the Agricultural Finance Corporation (AFC). This institution was launched in March 2021 but to date no meaningful support through this bank is being offered to farmers. Formerly Agricultural Finance Corporation, which in turn was a transformation of the Land Bank which had been established in 1925, the institution was transformed into an agricultural development bank in 2003, earmarked to provide finance to farmers in line with the government's land reorganization strategy. Despite this, a financing gap in the country's agriculture sector still remains despite the sector being touted as bankable and creditworthy, according to research. Research has also recommended for adoption of collateral substitution lending approaches that have been used by successful agriculture finance institutions in other countries.

5. CONCLUSION

Regardless of the difficult macroeconomic environment exacerbated by exogenous shocks related to geopolitical tensions, poor rainfall patterns, the COVID-19 pandemic as well as limited external support, the economy is exhibiting some positive sentiments and is on its way to recovery. The Committee recommends that Parliament approves the 2022 Supplementary budget subject to the proposed amendments by the Committee

ANNEX 1

	Original Budget	Expenditure to 30 June	% expenditure	Additional Estimates	2022 Revised Budget	% Increase
Vote Appropriations	ZWL$	ZWL$	%	ZWL$	ZWL$	ZWL$
Office of the President and Cabinet	32,391.20	35,823.00	110.59	47,155.60	79,765.00	145.6%
Parliament of Zimbabwe	14,615.10	4,877.90	33.38	2,800.70	17,415.80	19.2%
Public Service, Labour and Social Welfare	19,477.30	9,654.10	49.57	34,897.40	54,374.80	179.2%
Defence and War Veterans	61,553.30	46,345.70	75.29	71,515.60	133,068.90	116.2%
Finance and Economic Development	64,573.60	48,192.20	74.63	127,673.70	176,617.50	197.7%
Auditor General	3,014.10	534.50	17.73	1,059.60	4,073.70	35.2%
Industry and Commerce	3,879.50	1,768.70	45.59	1,662.50	5,542.10	42.9%
Lands, Agriculture, Fisheries, Water and Rural Development	124,049.10	98,997.30	79.80	100,672.00	231,819.00	81.2%
Mines and Mining Development	3,020.90	1,725.20	57.11	1,582.50	4,603.50	52.4%
Environment, Tourism and Hosipitality Industry	3,711.40	1,711.70	46.12	3,624.60	7,335.90	97.7%
Transport and Infrastructural development	60,802.50	29,881.30	49.14	46,507.40	107,309.90	76.5%
Foreign Affairs and International Trade	14,877.30	3,193.00	21.46	3,848.00	18,725.30	25.9%
Local Government and Public Works	24,315.30	13,069.90	53.75	12,743.40	37,058.70	52.4%
Health and Child Care	117,714.20	31,819.10	27.03	62,210.50	179,294.50	52.8%
Primary and Secondary Education	124,070.00	54,808.80	44.18	103,924.50	228,994.50	83.8%
Higher & Tertiary Education, Innovation, Science and Technology Development	35,774.20	16,144.10	45.13	35,036.10	70,810.40	97.9%
Women Affirs, Community, Small and Medium Enterprises Development	4,734.50	2,374.10	50.14	3,139.00	7,873.50	66.3%
Home Affirs and Cultural Heritage	49,417.60	32,159.20	65.08	61,077.10	115,493.70	123.6%
Justice, Legal and Parliamentary Affirs	22,705.10	11,118.70	48.97	18,187.10	40,892.20	80.1%

Information, Publicity and Broadcasting Services	2,652.70	738.90	27.85	1,012.80	3,665.50	38.2%
Youth, Sports, Arts and Recreation	7,844.10	3,689.90	47.04	3,788.60	11,632.60	48.3%
Energy and Power Development	3,553.90	2,823.70	79.45	2,369.70	8,183.60	66.7%
Information Communication Technology and Courier Services	3,294.60	1,274.90	38.70	4,793.70	8,088.20	145.5%
National Housing and Social Amenities	10,061.50	2,392.60	23.78	6,894.70	16,956.20	68.5%
Judicial Service Commission	5,445.80	4,177.60	76.71	3,083.00	8,583.60	56.6%
Public Service Commission	22,572.10	18,103.40	80.20	48,800.00	71,552.10	216.2%
National Council of Chiefs	671.00	281.90	42.01	500.00	1,171.00	74.5%
Zimbabwe Human Rights Commission	403.90	330.60	81.85	527.40	931.30	130.6%
National Peaceand Reconcilliation Commission	441.30	247.80	56.15	390.40	831.70	88.5%
National Prosecuting Authority	1,629.30	938.10	57.58	1,518.30	3,147.50	93.2%
Zimbabwe Anti-Corruption Commission	913.70	517.40	56.63	351.40	1,265.10	38.5%
Zimbabwe Electoral Commission	11,632.80	9,547.80	82.08	32,693.50	44,326.30	281.0%
Zimbabwe Gender Commission	497.60	172.90	34.75	507.30	1,004.90	101.9%
Zimbabwe Land Commission	1,759.30	1,175.80	66.83	4,688.40	6,447.70	266.5%
Zimbabwe Media Commission	511.00	181.10	35.44	238.20	749.20	46.6%
Sub-TOTAL	**858,580.80**	**490,792.90**	**57.16**	**851,474.70**	**1,709,605.40**	**99.2%**
CONSTITUTIONAL AND STATUTORY APPROPRIATIONS						
Debt Service: Interest Bill	14,367.00	3,487.40	24.27	3,000.00	17,367.00	20.9%
Pension	47,641.50	31,572.70	66.27	62,628.90	110,270.40	131.5%
Transfer to Provincial Councils and Local Authorities	42,539.00	7,143.30	16.79	10,000.00	52,539.00	23.5%
Other Constitutional & Statutory Appropriations	4,960.30	1,510.20	30.45	2,149.80	7,110.10	43.3%
Total Expenditure& Net Lending	**968,088.60**	**534,506.50**	**55.21**	**929,253.40**	**1,896,891.90**	**96.0%**