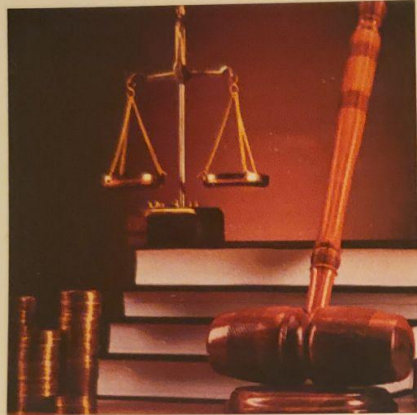
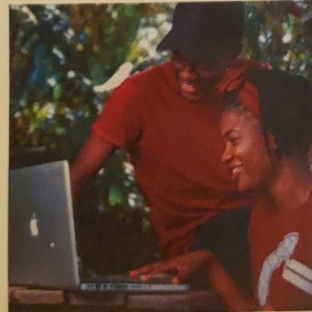




Republic of Zimbabwe



“Towards a Prosperous & Empowered Upper Middle Income Society by 2030”



NATIONAL DEVELOPMENT STRATEGY 1

January 2021 - December 2025



dependent on the export of minerals and agricultural raw materials to an economy trading high value processed goods.

25. External debt arrears clearance will be considered in line with progress made with Government's engagement and re-engagement with the international community. The successful negotiation of a debt and arrears clearance programme with external creditors will open new lines of credit for the economy.
26. In order to reduce fiscal risks emanating from State Owned Enterprises (SOEs), Government will, expedite SOEs reforms targeting commercialisation, improved governance, provision of services at viable prices, full or partial privatisation, outright disposals and amalgamation of some of the SOEs into existing Government Departments.

ECONOMIC GROWTH AND STABILITY

27. Economic growth and stability is a prerequisite for sustainable development, which contributes to improved livelihoods for all. Sustained economic growth creates certainty and confidence in the economy. The overall success of the NDS1 is, therefore, premised on realising increased economic growth and stability. Key priority areas under Economic Growth and Stability are:-
 - i. Macroeconomic stability;
 - ii. Stable monetary policy and financial stability; and
 - iii. Sustained, Inclusive Growth.
28. Production and productivity in key locomotive (anchor) sectors: agriculture, mining, manufacturing, and tourism will be critical in achieving the overall goal of sustainable economic growth. This will catalyse economic growth in other sectors of the economy, including the Micro, Small and Medium Enterprises (MSMEs) sectors and the semi-formal activities that are ordinarily at the margins of the economy.

ECONOMIC GROWTH ENABLERS

29. During the NDS1, efficient infrastructure delivery will be key in the realisation of National Priorities and overall socio-economic development. This will involve restoring basic infrastructure services including expansion in critical areas mainly targeting key sectors of energy, transport, water and sanitation, Information and Communication Technology and Housing.

STRUCTURAL TRANSFORMATION AND VALUE CHAINS

30. To create new and accelerate the domestication of existing value chains, during the NDS1, the country's macroeconomic: fiscal, monetary and trade policy environment as well as incentive and regulatory frameworks, will be revamped to promote diversification and competitiveness.

HUMAN CAPITAL DEVELOPMENT

31. Human Capital Development and Innovation will drive the NDS1 and the country's prospects towards Vision 2030. The focus will be on creating a knowledge driven economy for sustained growth, innovation for industrialisation and modernisation of Zimbabwe through reconfiguration of the education system with a strong emphasis on Science, Technology, Engineering, Arts and Mathematics (STEAM).

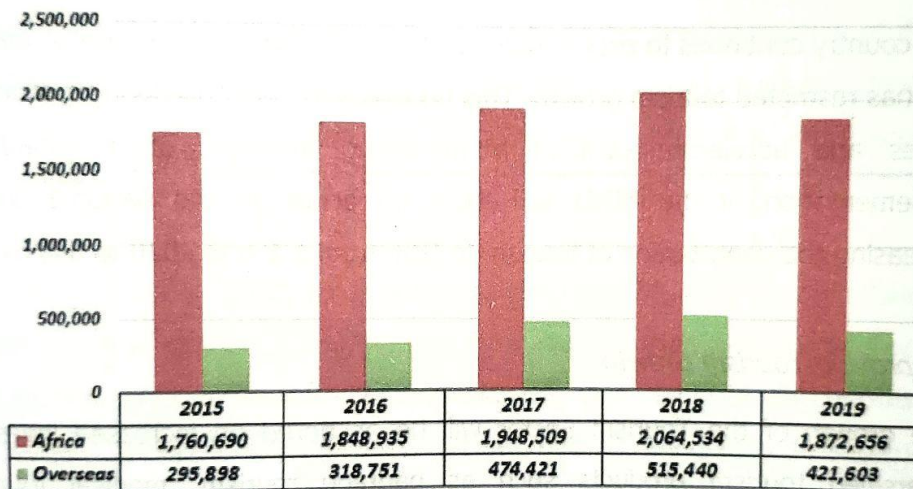
HOUSING DELIVERY

32. Given the huge housing backlog and the inadequacies of attendant infrastructure, Government will, through the NDS1, prioritise citizens' access to affordable and quality settlements in urban and rural areas. Focus will be on construction of new housing units and upgrading of informal settlements equipped with the necessary basic and social services infrastructure and amenities in order to improve the quality of life.

Strategies for tourism

160. Tourism sector is anchored on abundant natural resources such as wildlife and scenery, which sustains tourism development in Zimbabwe. Tourism arrivals experienced an average growth rate of 6% per annum over the period 2015-2018. This growth in arrivals was driven by the notable increase in arrivals from nearly all traditional source regions and most major tourism generating markets as shown in in Figure 6 below.

Figure 6: Tourism Growth 2015-2018



Source: ZTA 2020

161. However, the year 2019 was a difficult year for the tourism industry as arrivals fell by 11% compared to 2018 as shown in Figure 6 above. This was due to the volatility of the operating environment for the tourism sector characterised by continued circumstances of cash shortages, rising prices, pricing distortions, fuel and electricity shortages and negative destination perceptions.

162. The tourism industry has been one of the worst-hit sectors by the COVID-19 pandemic, with hotels and operators experiencing reduced business owing to

- Re-introduction of a beneficiation tax to dissuade exportation of concentrates and matte; and
- Ensure adherence to set timelines for the establishment of the BMR.

Processing of Chrome to ferrochrome

415. The country hosts the world's second biggest resource of chrome ore deposits. The chrome deposit grade is of high quality, best suited for metallurgical processes such as steel manufacturing. However, most of the chromite is exported as ore prejudicing the nation of jobs, and critical linkages for the setting up of downstream and other side stream industries connected to chrome beneficiation.
416. The establishment of ferrochrome processing plants will enhance job creation initiatives, generate more foreign currency earnings and catapult the nation towards steel manufacturing, which is the ultimate stage of chromite value addition.
417. Due to the energy intensive nature of ferrochrome smelters, small scale miners who constitute the bulk of chrome producers lack the financial capacity to install chrome smelters. During the NDS1 Period, focus will be on increasing ferrochrome processing facilities from six to eleven by 2025.

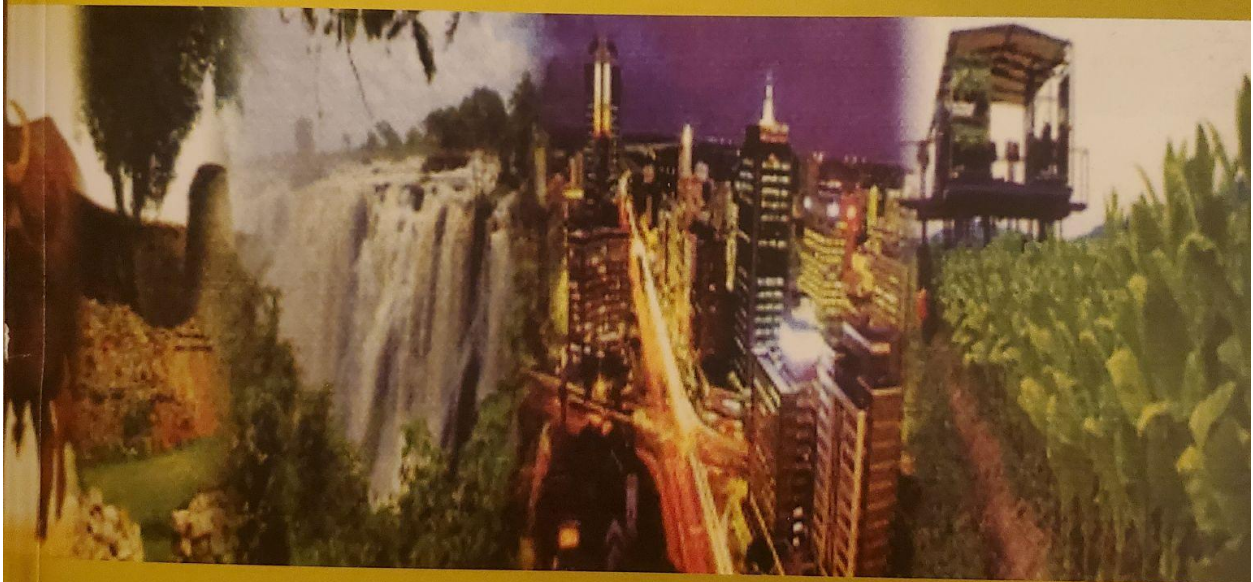
Strategies to establish ferrochrome processing facilities.

418. The following strategies will be implemented during the NDS1 Period:-
- Avail land for setting up of chrome beneficiation facilities by prioritising issuance of chrome concessions to companies planning to establish integrated chrome mining and ferrochrome smelters;
 - Facilitate the availability of adequate feed to local ferrochrome producers by capacitating small scale chrome producers and minimising export of raw chrome; and
 - Export market development for ferrochrome.



ZIMBABWE

VISION 2030



"Towards a Prosperous & Empowered Upper Middle Income Society by 2030"

September 2018

Harare

- Ministry of Justice and Parliamentary Affairs;
- Reserve Bank;
- Zimbabwe Revenue Authority;
- Attorney General's Office;
- Environmental Management Agency;
- Deeds Office; and
- Department of Immigration.

Indigenisation Legislation Reform

153. Vision 2030 recognises the need to open investment to all investors, regardless of origin.
154. Zimbabwe's legislation on indigenisation had constrained foreign ownership of local businesses and discouraged much needed investment.
155. Following repeal of the Indigenisation and Economic Empowerment Act through the Finance Act of 2018, a new policy on diamonds and platinum is now in place.

Agriculture

156. The thrust of agriculture, under Vision 2030, is to create a self-sufficient and food surplus economy that will see the re-emergence of Zimbabwe as the '*Bread Basket*' of Southern Africa.

Land Utilisation

157. Following completion of the land allocation phase of the Land Reform Programme, the thrust is on full, efficient and sustainable utilisation of allocated land, leading to increased production and investment on the land.

Farm Mechanisation

158. Vision 2030 will prioritise improving agricultural productivity through promotion of market based investments in sustainable farm mechanisation programmes that improve farmer access to agricultural equipment and implements, under either purchase or leasing arrangements.

Agricultural Research & Development

159. The attainment of food security and nutrition will be premised on strong research and development undertakings, coupled with the use of advanced technologies, including at the village level.

Agriculture Financing & Farmer Incubation

160. Government recognises that in the interim, the new farmer would need to be incubated and learn the ropes, necessitating adoption of collaborative financing models by Government and the private sector.
161. Vision 2030 focuses Government on supporting vulnerable households, while private sector and commercial bank finance will be required to fully take up its rightful role of adequately financing agriculture, particularly A2 and A1 farmers.
162. In this regard, Government recognises 99 Year leases and A1 Permits as legal and bankable documents that should facilitate farmers' access to financing.
163. The individual farmer will remain responsible and accountable for honouring repayment of obligations arising under extended financing facilities.

Industrial Hubs

189. The thrust of Vision 2030 with regards to development of industrial hubs is informed by the diversity of the various Provinces' resource endowments and their comparative advantages.
190. This has informed the development of fiscal and other incentives being offered through established Special Economic Zones across the Provinces as follows:
- Bulawayo, heavy industry, leather, footwear, textiles and engineering;
 - Harare, information communication technology and health services;
 - Manicaland, fruit canning, diamond cutting and polishing;
 - Mashonaland Central and East, agro-processing;
 - Mashonaland West, agro-processing, chrome, cotton and textiles;
 - Masvingo, sugar cane processing;
 - Matabeleland South, gold production, and livestock; and
 - Midlands, iron and steel corridor, asbestos, gold, leather, footwear and dairy.
191. The Special Economic Zone concept extends to the provision of Financial Services, and developments along the Tourism Corridor around the Victoria Falls and parts of the Matabeleland North province.

Tourism

192. Vision 2030 will make Zimbabwe a leading global competitive and preferred tourist destination of choice, while also facilitating domestic tourism.
193. Vision 2030 prioritises developments in:
- The Eastern Highlands, encompassing Nyanga and Vumba;
 - Masvingo, covering Great Zimbabwe and the Gonarezhou Trans-frontier National Park;

Images provided by resources obtained at the 2020 World Expo in Dubai, UAE November 2021
by Shaddai Livingston.

For more information on Zimbabwe visit www.zimtreasury.gov.zw

