

ZIMBABWE

THE 2027 NATIONAL BUDGET SPEECH

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

Presented to Parliament of Zimbabwe

by

Hon. Prof. Mthuli Ncube (M.P)
Minister of Finance

On

19 November 2026

MOTION

1. Mr Speaker Sir, subsections (1) and (2) of section 305 of the Constitution as read with subsection (1) of section 28 of the Public Finance Management Act [*Chapter 22:19*], and paragraph (m) of section 2(1) of the Public Finance Management (General) (Amendment) Regulations, 2021 (No. 1) published in Statutory Instrument 127A of 2021, provides that the Minister responsible for Finance shall, before the end of each financial year, present to the National Assembly, a statement of the estimated revenues and expenditures of the Government in the next financial year.

2. In this regard, Mr Speaker Sir, I move that leave be granted to present a Statement of the Estimated Revenues and Expenditures of the Republic of Zimbabwe for the 2027 Financial Year and to make Provisions for matters ancillary and incidental to this purpose.

INTRODUCTION

3. Mr Speaker Sir, themed "***Accelerating Economic Transformation and Building Resilience to Climate and Global Shocks***", the 2027 National Budget articulates the fiscal policy strategy for the coming year and the medium term.

4. Building on the foundations of macroeconomic stability, the 2027 National Budget will expand the frontiers for broad-based and inclusive economic growth and transformation.

5. Mr Speaker Sir, the country's reform success is being recognised globally as reflected in Zimbabwe's removal from the World Bank Group's fragility classification with effect from 1 July 2026. The country was also admitted as a borrowing member of the BRICS New Development Bank (NDB) in July 2026. Further, Zimbabwe was elected as a non-permanent member of the United Nations Security Council for 2027-2028.

6. The 2027 Budget is being formulated against a potentially challenging global and domestic environment. Climate-related shocks, particularly recurring El Niño-induced drought episodes, impacting on agricultural production with cascading effects across the economy. These risks are compounded by geopolitical tensions, tighter external financing conditions, global trade fragmentation and disruptions.

7. Building resilience is, therefore, a national imperative.

8. Mr Speaker Sir, the current fiscal policy, co-joined with complementary monetary policy has successfully restored

macroeconomic stability, accordingly the economy is on a sustainable growth path.

9. Mr Speaker Sir, before I proceed, let me take this opportunity to extend my gratitude for the guidance and leadership of His Excellency the President Dr. E. D. Mnangagwa, during the formulation of this Budget.

10. I also want to thank the two Honourable Vice Presidents of the Republic and colleague Ministers for their valuable input into this process.

11. Mr Speaker Sir, I also want to recognise your input, Portfolio Committees, Honourable Members of Parliament, business executives, individuals, civil society, special interest groups and development partners for contributions in crafting this Budget.

ECONOMIC DEVELOPMENTS

12. Mr Speaker Sir, the 2027 National Budget has been framed against a potentially challenging global environment, characterised by moderating global growth, geopolitical tensions and elevated energy and food prices.

GLOBAL ECONOMIC OUTLOOK

13. Mr Speaker Sir, the latest IMF World Economic Outlook (WEO) is projecting a moderation in the global economy to 3.1% in 2026, before recovering to 3.4% in 2027. The global economy recovery is premised on growing investment momentum in artificial intelligence (AI), offsetting disruptions arising from the conflict in the Middle East. (***Slide 2***)

Sub-Saharan Africa

14. Mr Speaker Sir, the Sub-Saharan Africa region is projected to record growth of 4.5% in both 2026 and 2027, while SADC growth is projected at 3.2% and 3.1%, respectively. (Slide 3 & 4)

15. However, the outlook has been clouded by the conflict in the Middle East, compounded with declining official development assistance, as well as volatile international commodity prices. (Slide 5, 6, 7 & 8)

Domestic Economic Developments and Outlook

16. Mr Speaker Sir, post COVID-19, the domestic economy has registered a cumulative growth of 33.6% by 2025, well above

SADC and Sub-Saharan regions average of 17.3% and 22.6%, respectively. (***Slide 9***)

17. In 2025, the economy grew by 8.3%, the fastest in SADC and second fastest in Africa. (***Slide 10***)

18. In 2026, the domestic economy is projected to grow by 5% in 2026. This brings the size of the economy to approximately US$66 billion in 2026, more than double the GDP value of US$21 billion in 2019. As a result, GNI Per Capita now stands at approximately US$4 100, making the country 7th in Africa.

19. The size of Zimbabwe's economy is now 14th in Africa.

20. During the first nine months of the year 2026, the economy by 4.8%, underpinned by agriculture, manufacturing and wholesale and retail trade. (***Slide 11***)

21. In 2027, economic growth is projected to moderate to 3.5%, largely reflecting the impact of the super El Niño and the drought related risks. (***Slide 12***)

Inflation Developments

22. Mr Speaker Sir, prudent fiscal policy and complementary monetary policy resulted in durable price and exchange rate

stability, despite fuel price pressures arising from geopolitical tensions. Consequently, domestic inflation has stabilised and is now below the level of SADC peers. (***Slide 13***)

23. The ZiG annual inflation remained low and stable, averaging 4.0% for the first ten months of 2026. (***Slide 14 & 15***)

24. Inflation in both currencies is projected to remain contained within the single-digit levels in 2027. (***Slide 16***)

Balance of Payments Development and Outlook

25. Mr Speaker Sir, the favourable international commodity prices, together with expanding domestic economic activity have underpinned the growth of foreign currency inflows. This is being augmented by steady growth of diaspora remittances inflows and foreign direct investment.

26. During the period January to September 2026, foreign currency receipts increased by 33.7% to US$15.9 billion, compared to the same period in 2025. (***Slide 17***)

27. To year end, a current account surplus is projected to surpass US$3.5 billion, compared to US$2.1 billion recorded in 2025. The surplus is expected to narrow to US$3.4 billion in 2027. (***Slide 18, 19 & 20***)

28. Diaspora remittances inflows grew significantly by 39.9% to US$2.5 billion during the first nine months of 2026, and are projected to surpass US$3.2 billion and US$3.4 billion in 2026 and 2027, respectively, from US$1.2 billion in 2020. (***Slide 21***)

Financial and Monetary Sector

29. Mr Speaker Sir, the financial sector is safe and sound, on the back of sustained price, currency and exchange-rate stability. Financial intermediation growth continues to support economic activities. (***Slide 22***)

30. The banking sector is adequately capitalised and with non-performing loans to total loans of 3%, well below the international benchmark threshold of 5%. The FCA bank deposits have increased from US$0.7 billion in 2018 to US$5.5 billion in 2026. (***Slide 23***)

31. The stock market, namely ZSE and VFEX continue to perform well, safeguarding the investments. The Zimbabwe Entrepreneurship Exchange (ZEEX) launched in July 2026, focusing on SMEs has great potential to support the sector with capital raising. (***Slide 24***)

Public Finance Developments

32. Mr Speaker Sir, in terms of domestic resource mobilisation, revenue collections increased by 316.7% from US$2.8 billion in 2019 to a projected US$11.6 billion in 2026. (***Slide 25***)

33. As a result, the size of the Budget has increased by 263.1% from US$2.8 billion in 2019 to a projected US$10.2 billion in 2026. (***Slide 26***)

34. During the first nine months of the year, Government maintained a strong fiscal position with revenue performance at ZiG224.7 billion, while expenditures were contained at ZiG188.7 billion. (***Slide 27***)

35. As at 30 October 2026, preliminary outturn indicate that MDAs have spend an average of 74.5% of the approved budget.

36. The revenue windfall was directed towards reducing some of the arrears to service providers, debt servicing and accumulation of buffers, as contingency against the potential impact of the anticipated El-Niño induced drought in 2027.

Public Debt Developments

37. As at end September 2026, the stock of total Public and Publicly Guaranteed (PPG) debt is estimated at ZiG594.1 billion, compared to ZiG566.8 billion as at end December 2025. Of this total, external debt amounts to ZiG331.2 billion (55.7%), while the domestic debt stock was ZiG262.9 billion (44.3%). (***Slide 28***)

38. In US dollar terms, the estimated Public and Publicly Guaranteed (PPG) debt as at end September 2026 was US$22.2 billion, representing 33.4% of the projected GDP. This is comprised of external debt of US$12.4 billion and domestic debt of US$9.8 billion. (***Slide 29***)

THE 2027 FISCAL MACROECONOMIC FRAMEWORK

39. Mr Speaker Sir, the 2027 National Budget is guided by a Macroeconomic and Fiscal Framework that seeks to consolidate the gains achieved in fiscal management and further entrenching macroeconomic stability.

40. Against this background, Government is projecting total revenue collections of ZiG349.5 billion (approximately US$12.5 billion) in 2027, equivalent to 18.1% of GDP. (***Slide 30***)

41. The projected revenue envelope, together with Government's prudent borrowing capacity, supports an overall expenditure ceiling of ZiG358.3 billion (US$12.8 billion) in 2027, equivalent to 18.6% of GDP.

42. The Budget envelope includes contingent ZiG10.9 billion (US$400 million) (0.6% of GDP), as a precaution against more severe shocks, especially the super El-Niño drought. The resources will be financed from Government buffers accumulated in 2026.

STRATEGIC PRIORITIES FOR THE 2027 NATIONAL BUDGET

43. Mr Speaker Sir, before I move on to the Budget priorities, let me take this opportunity to inform the House that during the 2027 National Budget consultations with Ministries, Departments and Agencies (MDAs), a total of ZiG974 billion was submitted to Treasury as expenditure bids.

44. This is almost three times expenditure ceiling of ZiG358 billion (18.6% of GDP).

45. The expected resource envelope is distributed to MDAs as shown in the table below. (***Slide 31 & 32***)

Vote Allocations (ZiG Million)

Vote	Consolidated Revenue Fund	Retention Fund	Total
	-	-	-
Office of the President and Cabinet	15,629	-	15,629
Parliament of Zimbabwe	4,191	-	4,191
Public Service, Labour and Social Welfare	21,453	-	21,453
Defence	23,440	-	23,440
Finance	30,395	-	30,395
Office of the Auditor General	855	-	855
Industry and Commerce	614	-	614
Agriculture, Mechanisation and Water Resources Development	26,964	591	27,555
Mines & Mining Development	986	-	986
Environment, Climate and Wildlife	702	-	702
Transport And Infrastructural Development	10,843	-	10,843
Foreign Affairs and International Trade	4,265	-	4,265
Local Government and Public Works	5,309	-	5,309
Health and Child Care	33,783	1,679	35,462
Primary and Secondary Education	46,864	839	47,703
Higher & Tertiary Education, Innovation, Science and Technology Development	12,321	2,723	15,044
Women Affairs, Community, Small and Medium Enterprises Development	1,541	-	1,541
Home Affairs and Cultural Heritage	20,576	1,197	21,773
Justice, Legal and Parliamentary Affairs	8,886	-	8,886
Information, Publicity and Broadcasting Services	581	-	581
Youth Empowerment, Development and Vocational Training	1,619	243	1,862
Energy and Power Development	1,193	-	1,193

Information Communication Technology, Postal & Courier Services	1,029	-	1,029
National Housing and Social Amenities	1,560	-	1,560
Veterans of the Liberation Struggle Affairs	1,949	-	1,949
Tourism and Hospitality Industry	570	-	570
Sport, Recreation, Arts and Culture	1,293	-	1,293
Skills Audit and Development	330	-	330
Lands and Rural Development	2,012	-	2,012
Economic Development and Investment Promotion	2,175	-	2,175
Judicial Services Commission	1,711	-	1,711
Public Service Commission	11,936	-	11,936
National Council of Chiefs	292	-	292
Zimbabwe Human Rights Commission	295	-	295
National Prosecuting Authority	656	-	656
Zimbabwe Anti-Corruption Commission	328	-	328
Zimbabwe Electoral Commission	628	-	628
Zimbabwe Gender Commission	224	-	224
Zimbabwe Land Commission	285	-	285
Zimbabwe Media Commission	215	-	215
Health Service Commission	462	-	462
Office of the Attorney General	415	-	415
Zimbabwe Independent Complaints Commission	197	-	197
Total	**301,572**	**7,271**	**308,843**
Other Constitutional & Statutory Appropriations	56,731	-	56,731
Appropriation Total	**358,303**	**7,271**	**365,574**
Repayment Of Loans	22,330	-	22,330
Grand Total	**380,633**	**7,271**	**387,904**

45. Mr Speaker Sir, the 2027 National Budget is distributed among the ten NDS2 national priority areas as follows:

Macro-Economic Stability and Financial Sector Deepening

46. The primary focus of the 2027 National Budget is to safeguard macroeconomic stability, characterised by low and stable inflation, currency and exchange rate stability, while also strengthening financial sector deepening to promote financial inclusion and broad-based economic participation.

Inclusive Economic Growth and Structural Transformation

47. Mr Speaker Sir, the 2027 National Budget seeks to sustain structural transformation to enhance the economy's resilience against climate change and global economic shocks.

Industrialisation

48. To spearhead the industrialisation and economic transformation initiatives, an amount of ZiG614 million is being allocated to the Ministry of Industry and Commerce. (***Slide 33***)

49. In addition, effective 1 January 2027, it will be mandatory for Government, mining companies and all large entities to procure **at least** 15% of their input requirements domestically, where capacity exists. The Framework will be in place by 31st of March 2027.

Mining

50. Mr Speaker Sir, Government will continue strengthening measures to restrict the export of unprocessed raw minerals, while promoting domestic processing and beneficiation of minerals. (***Slide 34***)

51. Priority will also be on mineral exploration, as well as the full operationalisation of the Mining Cadastre Information Management System.

52. Therefore, an amount of ZiG986.2 million has been allocated to the Ministry of Mines and Mineral Development.

Infrastructural Development and Housing

Transport

53. The 2027 Budget prioritises interventions that enhance connectivity, reliability and efficiency across road, rail, air and inland water transport. (***Slide 35 & 36***)

54. Accordingly, the 2027 Budget has set aside ZiG10.8 billion for the Ministry of Transport and Infrastructural Development.

Energy

55. Mr Speaker Sir, Government has made significant strides by eliminating load shedding, achieving over 300 days of no-load shedding.

56. Going forward, key sector priorities are to diversify the generation mix to reduce reliance on hydro; institute demand-side management; upgrade transmission and distribution networks; and build a pipeline of bankable projects. (***Slide 37 & 38***)

57. To spearhead the process, ZiG1.2 billion is being allocated to the Ministry Energy and Power Development.

Water and Sanitation

58. On Water and Sanitation, the primary focus in 2027 will be on sustaining implementation of ongoing workstreams on Kunzvi - Musami and Gwayi – Shangani, as well as drilling and rehabilitation of boreholes. (***Slide 39 & 40***)

59. Therefore, a total of ZiG4.8 billion has been allocated for water and sanitation projects and programmes.

Housing Delivery

60. An amount of ZiG1.6 billion has been set aside for the Ministry of National Housing and Social Amenities to spearhead the construction of residential houses, servicing of stands, construction and rehabilitation of institutional housing. (***Slide 41 & 42***)

Agriculture, Food, Climate and Environment

61. Mr Speaker Sir, the agriculture sector is expected to encounter setbacks related to the impact of super El-Niño, which is usually associated with drought in the region. (***Slide 43***)

62. To mitigate against the negative impact of a potential drought, Government has put in place a Six-Pillar Strategy. (***Slide 44***)

63. As part of the Strategy, Government through GMB has procured grain amounting to 365 000 MT as at end October 2026, as part of building the country's strategic grain reserve to 600 000 tons by 2027.

64. In addition, Government has subscribed to the African Risk Capacity sovereign drought insurance policy at a premium of US$3.4 million.

65. In total, the 2027 National Budget has set aside ZiG27.6 billion for the Ministry of Agriculture, Mechanisation and Water Resources Development to implement the above agriculture programmes and projects.

66. Furthermore, ZiG2 billion has been allocated to the Ministry of Lands and Rural Development to underpin land administration, land surveying and mapping and rural development and industrialisation.

Climate and Environment

67. The 2027 National Budget has allocated ZiG702.3 million to Ministry of Environment, Climate and Wildlife. Of this amount, ZiG136.8 million will go towards capacitation of the meteorological services to enable early detection of weather developments.

Tourism

68. The Ministry of Tourism and Hospitality will be supported with an allocation of ZiG570 million to promote both domestic and international tourism, undertake tourism satellite account, among other tourism promotion related activities. (***Slide 45***)

Science, Technology, Digital, Innovation and Human Capital Development

69. Mr Speaker Sir, the 2027 National Budget will promote and embed technology, AI and innovation in all sectors of the economy, opening new technology-based frontiers of business and new enterprises.

70. The 2027 National Budget will finance education to promote equitable access, improve learning outcomes and ensure that no learner is left behind.

Primary and Secondary Education

71. Therefore, the 2027 Budget has allocated ZiG47.7 billion to the Ministry of Primary and Secondary Education. This will go towards provision of basic education, inclusive of employment costs, teaching and learning materials, examination fee subsidies and infrastructure development. (***Slide 46 & 47***)

Higher and Tertiary Education, Innovation, Science and Technology Development

72. In 2027, the Budget will support the Ministry of Higher and Tertiary Education, Innovation, Science and Technology Development with an allocation of ZiG15 billion. (***Slide 48 & 49***)

73. This will go towards supporting institutional operations, infrastructure development, student welfare and innovation hubs.

Information and Communication Technology

74. Mr Speaker Sir, to deepen ICT uptake, the focus in 2027 will be on reliable connectivity; strengthening public and private partnerships for technology ascription and technology deepening in the economy. The Budget will also aim to reduce the cost of ICT services to broaden access as well as implementing e-Government programmes. (***Slide 50***)

75. In support of these interventions, the 2027 Budget will set aside ZiG1 billion for the Ministry of Information Communication Technology, Postal and Courrier Services.

Skills Development

76. Mr Speaker Sir, the 2027 National Budget will support interventions to strengthen Zimbabwe's human capital ecosystem by an allocation of ZiG330 million to the Ministry of Skills Audit and Development.

Job Creation, Youth Entrepreneurship and Development, Creative Industry, Sport and Culture

77. Mr Speaker Sir, the 2027 National Budget will support initiatives to create jobs for the youths through supporting creative industries, sport and cultural activities.

78. Therefore, the Ministry of Youth Empowerment, Development and Vocational Training will be supported with an amount of ZiG1.9 billion to advance youth participation in the mainstream formal economy.

79. In addition, the Ministry of Sport, Recreation, Arts and Culture will receive ZiG1.3 billion to harness sports, creative industries and recreation as catalysts for national identity, social cohesion and economic transformation. (***Slide 51***)

Social Development, Gender and Social Protection

Health

80. In 2027, Government will consolidate and sustain interventions in the health sector through an allocation of ZiG35.5 billion. This will go towards employment costs, acquisition of consumables and equipment, as well as the rehabilitation and construction of health infrastructure. (***Slide 52***)

Social Protection

81. The 2027 National Budget has allocated ZiG21.5 billion to the Ministry of Public Service, Labour and Social Welfare.

82. This will go towards social protection interventions, covering education, food security, cash transfers, healthcare, disability support, livelihood programmes and assistance to vulnerable groups. (***Slide 53 & 54***)

Veterans of the Liberation Struggle

83. In 2027, Government will continue to support Veterans of the Liberation Struggle, their dependents, as well as other eligible beneficiaries with an allocation of ZiG1.9 billion to the Ministry of Veterans of the Liberation Struggle Affairs.

84. This will go towards monthly gratuities, health benefits and education assistance, as well as veteran's empowerment programmes.

Women and Gender Equality

85. In 2027, Government will continue to implement targeted programmes and projects with an allocation of ZiG1.5 billion to the Ministry of Women Affairs, Community, Small and Medium Enterprises Development.

86. This will go towards implementation of women empowerment programmes, including capitalisation of the Zimbabwe Women's Microfinance Bank (ZWMB) and the Small and Medium Enterprises Development Corporation (SMEDCO).

Regional Development and Inclusivity through Devolution and Decentralisation

87. Mr Speaker Sir, the 2027 National Budget has set aside ZiG5.3 billion for the Ministry of Local Government and Public Works, to continue strengthening the capacity of local authorities, rehabilitate public infrastructure and promote orderly human settlements. (***Slide 55***)

88. In addition, the Budget has set aside ZiG17.5 billion for devolution and decentralisation programmes and projects in 2027 in line with the Constitution.

Image Building, International Relations and Trade

89. On image building, the 2027 National Budget has set aside ZiG4.3 billion for the Ministry of Foreign Affairs and International Trade to consolidate progress in international engagement and re-engagement. (***Slide 56***)

Information, Publicity and Broadcasting

90. An amount of ZiG580.6 million has been set aside for the Ministry of Information Publicity and Broadcasting Services for the completion of the transition drive from analog to digital broadcasting, ensuring that all regions have access to digital signals.

Investment Promotion

91. The 2027 National Budget has set aside ZiG2.2 billion for the Ministry of Economic Development and Investment Promotion. This will facilitate the Ministry to spearhead economic development and investment promotion initiatives both domestically and internationally.

Governance, Institution Building, Peace and Security

92. Mr Speaker Sir, Government will continue to deepen legal, judicial and institutional reforms in line with the NDS2 and Vision 2030.

Justice and Legal Reforms

93. In this regard, the Ministry of Justice, Legal and Parliamentary Affairs has been allocated ZiG8.9 billion to enhance justice delivery and access, strengthen governance through legal

reforms, alignment of laws to the Constitution, digitalisation and capacitation of law enforcement agencies.

Peace and Security

94. In 2027, Government will continue to strengthen peace and security institutions to promote peace, stability and social cohesion through provision of resources towards:

- Rehabilitation and construction of cantonments;
- Upgrading of hardware and technology;
- Support for research and development;
- Acquisition and maintenance of motor vehicles;
- Tools of trade;
- Provision of rations;
- Housing for the personnel; and
- Equipping the Manyame Hospital.

95. In this regard, the Ministry of Defence and the Ministry of Home Affairs and Cultural Heritage have been allocated ZiG23.4 billion and ZiG21.8 billion, respectively.

Legislative and Oversight

96. In 2027, Government has set aside ZiG4.2 billion for Parliament to undertake the legislative and oversight role to discharge its constitutional mandate effectively.

97. This will go towards operations of the Parliament, including the maintenance of Parliament infrastructure and the provision of tools of trade for Members, the Constituency Development Fund and the Parliamentary Constituency Information Centres, as well as capacity development for Members and staff.

Office of the Auditor-General

98. An amount of ZiG854.6 million has been set aside for the Office of the Auditor-General to support its operations, the renovation of the Pegasus House, digitalisation, human capital development and fleet management.

Other Independent Institutions

99. The rest of other independent institutions have been allocated resources as follows:

- Public Service Commission, ZiG11.9 billion;
- Judicial Service Commission, ZiG1.7 billion;
- Health Service Commission, ZiG461.9 million;
- Office of the Attorney General, ZiG414.8 million;
- Council of Chiefs, ZiG291.7 million;
- Zimbabwe Human Rights Commission, ZiG294.5 million;
- National Prosecuting Authority, ZiG656.4 million;

- Zimbabwe Anti-Corruption Commission, ZiG328 million;
- Zimbabwe Electoral Commission, ZiG628.2 million;
- Zimbabwe Gender Commission, ZiG223.8 million;
- Zimbabwe Land Commission, ZiG284.6 million; and
- Zimbabwe Media Commission, ZiG214.8 million.

Budget Credibility

100. Mr Speaker Sir, in order to enhance Budget credibility, Treasury will not condone the unilateral initiation and implementation of projects and programmes outside the approved budget framework by strictly enforcing Public Finance Management Act and regulations.

101. All contracts above US$2 million should be submitted to Treasury for approval before signing, in line with Treasury Circular Number 10 of 2025.

102. Mr Speaker Sir, let me now move on to the revenue measures.

REVENUE MEASURES

103. Mr Speaker Sir, I now present a summary of selected measures contained in the Budget Statement supporting the overall domestic revenue mobilisation (***Slide 57.***)

Tax Relief Measures

Personal Income Tax: Tax-Free Threshold

104. Following consultations, I propose to review the *Personal Income Tax-free Threshold* from USD100 to USD150 or the ZiG equivalent and adjust the corresponding tax bands for 2027.

Review of Intermediated Money Transfer Tax (IMTT)

105. Mr Speaker Sir, consistent with our commitment to gradually review IMTT, I propose to adjust the IMTT rates as follows: -

- Reduce the rate on ZiG-denominated transactions from 1.5% to 1.25%; and
- Reduce the rate on foreign currency-denominated transactions from 2% to 1.75%.

Promotion of Green Energy and Environmentally Sustainable

Transport

106. To accelerate the transition towards a green economy, I propose to review customs duty rates on electric vehicles from 25% to 10%.

Customs Duty on Information Communication Technology Gadgets

107. Mr Speaker Sir, to promote adoption and use of mobile ICT capabilities by the general populace, I propose to review customs duty on cellular phones from 25% to 0%.

Support to Industry

Production-Oriented Stimulus Package: Fertilizer Manufacturing

108. In order to support investment in local fertiliser production, in the process ensuring security of supply given geo- political tensions, I propose to introduce a Rebate of Duty on raw materials, specialised intermediate inputs and capital equipment used in the fertiliser manufacturing value chain, including primary raw materials producers, subject to prescribed conditions.

109. The above measure take effect from 1 November 2026.

Suspension of Duty on Inputs into Production of Motor Vehicles

110. In order to support localisation of assembly plants as well as the competitiveness of the local motor vehicle assembly targeting the African Continental Free Trade Area (AfCFTA), I propose to wholly suspend customs duty on Semi Knocked Down (SKD) kits imported by approved local assemblers of

internal combustion engine-powered motorcycles, tricycles, trucks, and electric commercial vehicles, effective from 1 December 2026.

TAX ADMINISTRATIVE MEASURES

Excise Duty on Cigarettes

111. Given the prevailing macroeconomic stability, I propose, to replace the hybrid duty regime comprising an ad valorem rate of 25% plus US$5 per 1 000 cigarette sticks with a specific excise duty, at a rate of US$15 per 1 000 cigarettes sticks, with effect from 1 January 2027.

CONCLUSION

112. Mr Speaker Sir, the implementation of prudent fiscal policy by Treasury, complemented by monetary policy by the Reserve Bank of Zimbabwe, has broadly anchored the economy towards durable macroeconomic stability, characterised by low and stable inflation, as well as currency and exchange rate stability. The hard-won gains, particularly macroeconomic stability, must be protected and further entrenched.

113. The business community should capitalise on a stable environment and invest in new equipment, modernisation, digital technology, including automation and artificial intelligence.

114. Mr Speaker Sir, I finally commend the 2027 National Budget to this August House in compliance with the law and it is accompanied by the following documents:

- The 2027 National Budget Statement;
- The Estimates of Expenditure (Blue Book);
- The Finance Bill;
- The Appropriation Bill;
- Report to Parliament on Public Debt;
- The 2027 Zimbabwe Infrastructure Investment Programme;
- The 2027 Citizen's Budget;
- The 2027 Fiscal Risk Statement; and
- The 2027 National Gender Budget Statement.

May God Bless this August House

May God Bless Zimbabwe

Thank you.



Hon. Prof. Mthuli Ncube (M.P)
Minister of Finance

18 November 2026