

ZIMBABWE CABINET

FIRST POST-CABINET PRESS BRIEFING

11TH FEBRUARY 2025

1.0 UPDATE ON FOOD SECURITY OUTLOOK TO MARCH 2025 AND THE 2024/2025 SUMMER SEASON PLAN

Cabinet received and noted an Update on the Food Security Outlook to March 2025 and the 2024/2025 Summer Season Plan, which was presented by the Minister of Lands, Agriculture, Fisheries, Water and Rural Development, Honourable Dr. Anxious Jongwe Masuka.

The current grain stock at the Grain Marketing Board is enough to meet the needs of rural communities until the next harvest expected in April 2025.

A total of 1 349 877 metric tonnes comprising 1 127 411 metric tonnes of maize, 220 092 metric tonnes of wheat and 374 metric tonnes of wheat flour were imported by the private sector from April 2024 to 2 February, 2025. To date, 1 021 maize import permits have been issued to import 5 million metric tonnes. Government continues to monitor volumes of imports, stocks at millers, import prices and import sources in order to eliminate arbitrage opportunities.

The 2024/2025 Summer Season Plan aims to increase production of cereals to 3.2 million metric tonnes, from the 744 000 metric tonnes produced during the 2023/2024 summer season. The overall production

volumes of major crops are expected to increase by 340% from a mere 915 000 metric tonnes to over 4 million metric tonnes. Cabinet wishes to advise that preliminary data shows that about 99% of the maize area targeted for the 2024/2025 season has been planted. The Zimbabwe Statistics-led-Government-wide First Round Crops, Livestock and Fisheries Assessment is being finalised and will more accurately reveal the extent of the crop plantings.

Under the Presidential Input Scheme, the farming sector has achieved 11.4 million plots from a targeted 9.5 million plots, which translates to 20% above target and 16% above the 2023/2024 season performance of 9.8 million plots. The total area planted under cotton is 203 875 hectares, reflecting a 40% increase from the 145 265 hectares recorded in the 2023/2024 season. Regarding tobacco, 127 000 growers have registered for the 2024/2025 season, reflecting a 10% increase from the 115 000 growers registered at the same time in the 2023/2024 season. Of the registered growers, 92% are participating under contract. Under the Tobacco Food Security Initiatives, all tobacco merchants are supporting their contracted tobacco farmers with maize and sorghum inputs. The total planted area for tobacco is 132 851, which translates to 16% above the 2023/2024 season performance.

2.0 PROPOSED MEASURES TO ADDRESS CHALLENGES IN THE FORMAL BUSINESS ENVIRONMENT

Cabinet considered and approved Measures to Address Challenges in the Formal Business Environment, which were presented by the

Minister of Finance, Economic Development and Investment Promotion,
Honourable Professor Mthuli Ncube.

Following the presentation of the Monetary Policy Statement by the Reserve Bank of Zimbabwe on 6 February 2025, Cabinet observed a number of factors that are negatively impacting on the economy and has therefore introduced a cocktail of short and long-term interventions aimed at addressing challenges in the economy and providing support to Micro, Small and Medium Enterprises.

In broad terms, the Government seeks to bring all businesses into the tax bracket and enhance the effectiveness of the foreign exchange market. In the long-term, Government will address the business environment in order to streamline fees, charges and minimise duplication of work by Government Agencies as well as improve electricity supply. Such an environment will enable MSMEs to graduate into formal businesses.

Under short term measures, the use of electronic money will now be compulsory for all businesses and shall be achieved through the following:

- i. introduction of a compulsory tax payment system to ensure that every eligible taxpayer pays tax;
- ii. establishment of a Domestic Inter-agency Team to ensure informal sector compliance with tax laws; and

- iii. introduction of a framework which ensures that all vendor licencing by local authorities is done in consultation with Central Government. It will henceforth be mandatory that all vendors are promptly issued with Point of Sale (POS) machines and that they open bank accounts upon registration/licencing.

Cabinet further endorsed refinement of the Foreign Exchange Management system; the reduction of the foreign currency retention level for exporters from 75% to 70%; a reduction in bank charges; and

minimum Deposit Interest Rates.

Cabinet has further adopted the following medium-term measures:

- i. to ease the Cost of Doing Business by streamlining processes, fees and charges, as well as duplication of work by Government Agencies to reduce the turnaround and cost to business;
- ii. to ensure strict compliance with the Indigenisation and Empowerment Act which provides for certain areas as reserved sectors;
- iii. to enforce the procurement of goods and services from local producers and suppliers in order to support local industry;
- iv. to expedite the construction of power plants and upgrading of the distribution network to enhance the availability of electricity; and
- v. to incentivise the use of alternative sources of energy and expedite social protection coverage to the informal sector.

Proposed Measures to Support Micro, Small and Medium Enterprises (MSMEs)

Government has adopted the following short to medium-term measures aimed at supporting Micro, Small and Medium Enterprises to formalise their operations:

- i. the establishment of designated workspace;
- ii. the creation of a favourable regulatory environment;
- iii. adoption of simplified Taxes and Rates;
- iv. strengthening provision of business development support;
- v. enforcement of the ban on second hand goods; and
- vi. engagement of players in the Informal Sector.

3.0 PROPOSED DOCTRINE OF ZIMBABWE'S FOREIGN RELATIONS AND INTERNATIONAL COOPERATION

Cabinet considered and adopted the Proposed Doctrine of Zimbabwe's Foreign Relations and International Cooperation, as presented by the Minister of Foreign Affairs and International Trade, Honourable Professor Amon Murwira.

The doctrine provides guidelines for Zimbabwe's Foreign policy based on His Excellency the President's decisions on the country's international relations, in compliance with the Constitution of Zimbabwe. The doctrine aims to guarantee the integrity, dignity and

prosperity of Zimbabwe through upholding the principles of mutual respect, mutual benefit and mutual responsibility among all sovereign nations. The doctrine is founded on parameters or points of reference that serve to guide foreign policy development and application. These are as follows:

Zimbabwe is a Friend to All and Enemy to None; Leaving No one and No Place Behind; Nyika Inovakwa Nevene Vayo/ Ilizwe lakhiwa ngabanikazi balo/ A country is built by its own people; Zimbabwe is Open for Business; Chimurenga Chepfungwa/ Umvukela Wengqondo/ Liberation of the Mind; and Zimbabwe will forever be a Sovereign and Independent State.

The doctrine shall guide the approach of the Ministry of Foreign Affairs and International Trade in its implementation of Zimbabwe's foreign policy whose ultimate goal is to have a society that is free, democratic, prosperous, with people leading happy and fulfilling lives.

4.0 UPDATE ON PREPARATIONS FOR THE 21ST FEBRUARY COMMEMORATIONS

Cabinet considered and approved the preparations for the 21st February Commemorations Report, as presented by the Minister of Local Government and Public Works in his capacity as Acting Chairman of the Cabinet Committee on State Occasions and National Monuments, Honourable Engineer Daniel Garwe.

The Nation is informed that 2025 National Youth Day Celebrations will be held at Barbourfields Stadium, Bulawayo from 20 to 21 February, in line with the thrust of the Second Republic to hold national events rotationally. As a National Holiday, duly proclaimed and gazette, the event will provide a platform for young people to interact with His Excellency the President of the Republic of Zimbabwe, Dr. E.D. Mnangagwa; showcase youth talents, businesses and contributions to national development; raise awareness on the dangers of drug and substance abuse; and to increase awareness, commitment and investment in youth development initiatives, programmes and projects.

Running under the theme "***Empower Youth, Secure the Future***", the main event on 21st February is poised to attract a total of 20 000 youths drawn from the country's nine provinces, with the rest of the youths in all the provinces following proceedings in real time at designated Vocational Training Centres and institutions of Higher Learning. Foreign visitors including Ministers and Youth Councils representatives from selected African countries will be expected to attend the event.

The pre-celebrations events on 20th February 2025 will attract an estimated total of 5 000 youths drawn from schools and institutions of Higher and Tertiary Education within Bulawayo Metropolitan Province and the adjoining Provinces. Highlights of the day will include a sporting and cultural fiesta; Youth Exhibitions; a Clean-Up Campaign programme; a Community Outreach Programme on Drug and Substance Abuse; and

the inimitable Ixhiba/ Nhangwa/ Gota expose by the First Lady, Amai Dr Auxillia Mwangagwa.

Logistical preparations are already underway, with a total of 250 buses earmarked for equitable distribution to the country's provinces. Additionally, 15 shuttle buses will be availed to all Constituencies in the Bulawayo Metropolitan Province for a successful 20th February 2025 programme.

5.0 REPORT ON THE SADC/EAC SUMMIT ON THE DEMOCRATIC REPUBLIC OF CONGO

Cabinet received and noted the Report on the Southern African Development Community (SADC) and the Eastern African Community (EAC) Joint Summit on the Democratic Republic of Congo, which was presented by the Minister of Foreign Affairs and International Trade, Honourable Professor Amon Murwira.

The Joint Summit was held on 8th February, 2025 in Dar es Salaam, United Republic of Tanzania, and co-Chaired by His Excellency the President, Cde Dr. Emmerson Dambudzo Mwangagwa, as the Chairperson of the Southern African Development Community, and His Excellency Dr. William Samoe Ruto, President of the Republic of Kenya and Chairperson of the East African Community. The Summit called for a cessation of conflict in order to pave way for peace and development in that part of the African continent. Measures to entrench peace will be

implemented through a Ministerial Task Force from the two sub-regions of Africa acting in unison.

The Heads of State and Government of the Democratic Republic of Congo, Kenya, South Africa, Somalia, Rwanda, Uganda, the United Republic of Tanzania, Zambia and Zimbabwe attended the Summit. Burundi was represented by the Prime Minister, while Angola, Malawi and South Sudan were represented by the Ministers responsible for Foreign Affairs. Madagascar was represented by the Minister of the Armed Forces

The Joint Summit deliberated on the peace and security situation in the Eastern Democratic Republic of Congo (DRC), following an escalation of conflict in that part of the country. The Joint Summit reaffirmed solidarity with the people of the DRC and committed to safeguarding the independence, sovereignty, and territorial integrity of the DRC as well as its sustainable peace, security and development.

I THANK YOU!