
# ZIMCODD MONTHLY ECONOMIC REVIEW

JANUARY 2022

## Executive Summary

This monthly economic review tracks the movements and performance of key economic indicators such as Gross Domestic Product (GDP), money supply, exchange rate, inflation, public debt, and government accounts as well as giving a brief sectoral overview. The following are some of the key highlights:

- For 2022, the global economic growth (GDP) is projected to moderate to 4.4% before it settles at 3.8% in 2023 from a synchronized growth of 5.9% realized in 2021. However, the continued resurgence of the pandemic poses a great risk to 2022 global recovery.
- For Zimbabwe, the government expects national output growth to moderate to 5.5% in 2022 from a 7.8% growth that was realized in 2021. The growth expectations are hinged on the assumptions of normal rainfall, subsiding COVID-19 cases, rising commodity prices, improved electricity production, and stable exchange rate, among others.
- It is difficult to celebrate Zimbabwe's GDP growth as it is a growth rate without a "human face". The citizens are facing a volatile economic environment with massive exchange rate depreciation, high inflation, high unemployment, and rising poverty.
- In the month of January 2022, price inflation mounted 60.61% year-on-year (change between Jan 2021 and Jan 2022). From a month-on-month perspective, prices increased by 5.34% in January 2022 compared to 5.76% in the prior month.
- The Zimbabwe dollar continued with its losing streak in January 2022 particularly in the parallel market. In January 2022, ZW$ lost 13.6% of its value in the parallel market, which was more than double the loss in the official (RBZ) market.
- Unsustainable growth of money supply and an inefficient exchange rate management system were identified as the major drivers of Zim dollar decline. For instance, broad money grew by a staggering annual growth of 137.6% as of November 2021.
- In January 2022, the government revised its RBZ legacy debt (blocked funds) assumption from US$3.3 billion to US$3.8 billion. This gives a total public and publicly guaranteed debt (PPG) of US$14.2 billion. The debt to GDP ratio is now exceeding 90%, way above the 70% required by the Public Debt Management Act.
- ZIMRA's net revenue collections in 2021 totalled ZWL$469.21 billion, 21.12% above the target. The 2021 Mid-term Budget Review projected cumulative fiscal spending for 2021 at ZW$421.6 billion, giving an estimated budget surplus of ZWL$47.61 billion.
- Latest trade statistics showed that in Nov 2021, merchandise exports were US$647.23 million while imports were US$683.14 million giving a trade deficit of -US$35.91 million.
- The nation particularly households witnessed increased load shedding schedules in January as ZETDC moved to ration scarce electricity. These shortages emanated from reduced production at the country's aging thermal stations which are breaking down frequently.
- The maximum diesel pump price per litre mounted 4.3% to US$1.44 while the maximum petrol pump prices per litre mounted 2.15% to US$1.44 between 5 Jan and 5 Feb 2022.

# 1. Introduction

Zimbabwe was greatly affected by the COVID-19 pandemic, a health crisis that pushed many citizens into abject poverty. For a highly informal economy, the measures like stringent lockdowns restrictions, and tight curfews implemented to curb the spread of the virus imposed a huge burden particularly on citizens working in the informal sector.

Early last year, the country witnessed its second wave of the virus which forced the government to impose travel bans, disrupt the school calendar, and institute localized lockdowns. Again, mid-year, a third wave was experienced driven by the deadly Delta variant of the virus. Further, in the last quarter of 2021, the nation was battered by a lethal Omicron variant of the COVID-19 virus which saw new infections, hospitalizations, and deaths charting a record territory since the first case was recorded in March 2020. To date (3 Feb 2022), Zimbabwe has 230 335 confirmed cases including 220 823 recoveries and 5 360 deaths. All these episodes subdued economic activity, particularly in the informal market.

# 2. Economic Outlook

This section analyses economic growth developments and trends (outlook) on a global, regional and domestic scale. Broadly, economic growth refers to the increase in real output of goods and services produced within the boundaries of a country in a specific period of usually a year. Ceteris paribus, economic growth should entail a reduction in poverty and an increase in standards of living (incomes).

## 2.1 Global Economic Performance and Outlook

The global economy witnessed a synchronized GDP growth in 2021 mounting by 5.9%, the fastest global growth rate since 1973's 6.6% growth. The 2021 global growth was largely hinged on COVID-19 vaccinations, elevated fiscal spending in advanced (rich) nations, as well as accommodative monetary policies adopted by most countries. The gradual re-opening of economies from restrictive lockdowns helped ease global supply chain disruption. Global prices of commodities like minerals and oil recovered significantly in 2021, outpacing their pre-pandemic levels. This helped commodity-dependent nations like those in Sub-Saharan Africa to mount a strong economic comeback.

**Table 1: Global Economic Outlook Projections**

| | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| World | -3.1 | 5.9 | 4.4 | 3.8 |
| Advanced | -4.5 | 5 | 3.9 | 2.6 |
| Emerging Asia | -0.9 | 7.2 | 5.9 | 5.8 |
| M. East & Central Asia | -2.8 | 4.2 | 4.3 | 3.6 |
| Latin America & Caribbean | -6.9 | 6.8 | 2.4 | 2.6 |
| Sub-Saharan Africa | -1.7 | 4 | 3.7 | 4 |

*Source: IMF World Economic Outlook (Jan 2022)*

In 2022, global GDP growth is projected to moderate to 4.4% before it settles at 3.8% in 2023. However, the balance of risks to 2022 global recovery is to the downside as the COVID-19 pandemic continues to linger. The likely path of the pandemic is not deterministic, as there are slow vaccinations in vast emerging and developing countries as the rich nations hoard the vaccines for themselves. As such, while the current Omicron variant has proved to be less severe, its increased transmissibility could subdue economic activity by adding shortages to the global labour market as well as putting enormous pressure on hospitals.

More so, the continued resurgence of the pandemic is causing supply chain bottlenecks. The shortage of shipping containers against an elevated rebound of global economic activity has left producers without adequate raw materials. This is evidenced by the shortage of semiconductors that have forced carmakers, especially in the Eurozone to cut production. Further, the supply disruptions and high energy prices are fuelling a global wave of inflation.

With inflation reaching a 40-year high in advanced nations like the US, the Federal Reserve has announced that it would be tapering its bond-buying stimulus plan and hike rates in 2022. However, this may spell turmoil for emerging nations as high-interest rates in the USA, an attractive investment destination, could cause capital flight. Also, the rising geopolitical tensions between Russia and the US and its allies could lead to war in Europe. The threat of sanctions if Russia invades Ukraine could also lead to a severe global energy crisis, cripple global trade, and cooperation.

## 2.2 Regional Economic Performance & Outlook

Sub-Saharan Africa (SSA) is largely an agrarian economy and is highly dependent on primary products like mineral commodities. In 2021, the region benefited from the recovery of commodities as global economies began to re-open at an increased pace. Those countries that bank on crude oil like Africa's economic powerhouse (Nigeria) and Angola saw the price of oil per barrel surpassing its pre-pandemic levels as oil demand outweighed supply. The same can be said for mineral-rich countries like South Africa, Zimbabwe, and the DRC. The gradual re-opening of the global economy increased industrial production especially in advanced countries that require mineral output and its by-products. As such, the SSA region which is home to over 1 billion people grew by 3.7% in 2021.

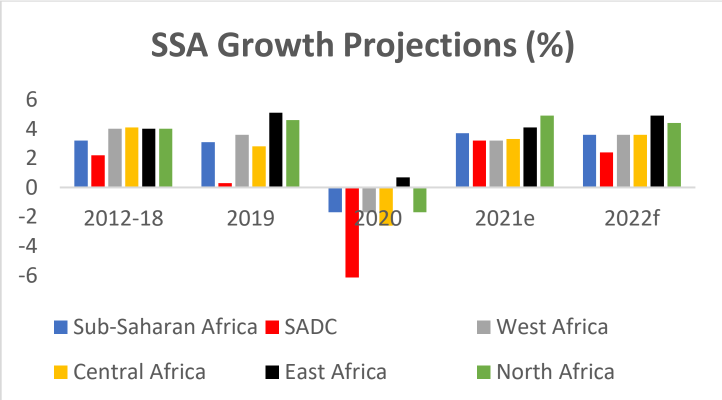


**Fig 1: Sub-Saharan Africa Growth Projections**
*Source: African Development Bank (AfDB)*

In the coming year, economic growth in the SSA region is expected to moderate and settle at 3.6%. However, many challenges make the region vulnerable to global fluctuations. Also, the region is not economically diversified as it is heavily into primary products, and natural disasters are more pronounced. The subdued growth in economic engines like South Africa since the 2008 global financial recession is reducing the positive spill-over effects for the entire region. Further, the SSA region is battling with public debt. For instance, according to the AfDB, only 4 countries in SADC are within its macroeconomic convergence debt sustainability threshold of 60%.

## 2.3 Zimbabwe Economic Outlook

Since 1980, Zimbabwe is witnessing deep and frequent macroeconomic volatilities, and this explains why most citizens are living in deplorable living conditions. The government should celebrate economic growth when all economic agents are allowed access to the national cake a selected few. In the early 1980s, the economy was booming before it was ravaged by ever-rising abuse, misuse, misappropriation, and diversion of public resources (funds) for private gain.

In 2007/8 the economy came to a near collapse, a result of uncareful monetary policies, corruption, and toxic politics. Many people especially rural dwellers lost their wealth like livestock in trying to make ends meet. The adoption of the dollarization reform in 2009 helped people to re-build before the failed currency reforms of 2019 crippled their recovery. The situation was exacerbated by the COVID-19, which decimated the informal economy, a sector constituting over 60% of the entire economy and largely employing women and youths.

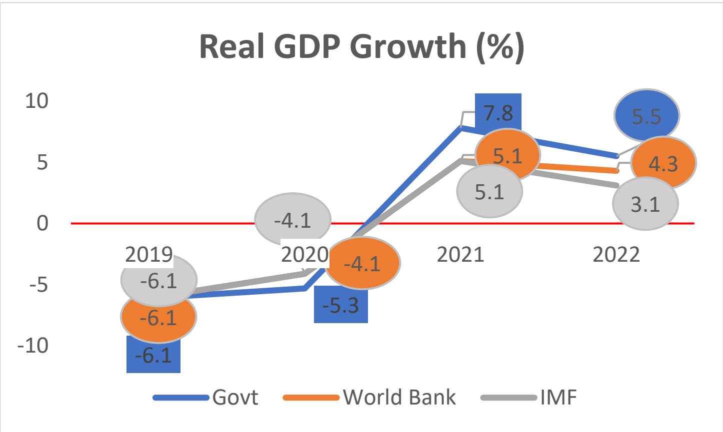


**Fig 2: Zimbabwe Real GDP Growth (%)**
*Source: Ministry of Finance, IMF & World bank*

According to estimates released by the Treasury, the economy (GDP) grew by 7.8% in 2021 up from a decline of -5.3% in 2020. This growth in national output were a result of better rainfall patterns for the 2020/21 cropping season that led to the best agriculture year since the Land Reform Programme, rising global prices and demand for minerals, and improved financial services among others. Other reputable institutions like the World Bank and IMF estimate Zimbabwe's 2021 GDP growth at 5.1%. As such, there is no shadow of doubt that GDP increased in 2021.

However, 2021 GDP growth was a "growth without a human face". This explains the major weakness of using GDP to measure welfare. As shall be discovered later, the local currency deteriorated heavily in 2021, fuelling price inflation. Despite this cost-of-living crisis, salaries especially for civil servants were sticky upwards. The fuel prices were rising while electricity load shedding was more pronounced in 2021. Many households who could not afford private solar energy had to rely on expensive substitutes like liquified petroleum gas that is being sold cheap in the foreign currency relative to local currency for an average person earning a mere ZW$30,000 per month.

The health sector deteriorated yet by September 2021, the Health Ministry had utilized only 47% of its total allocation. As for children, the school calendar was disrupted in 2021 which affected disadvantaged children especially those from underprivileged families who could not afford private in-person or online extra lessons. These challenges that were faced by citizens in 2021 are not expected in a country that enjoyed the fastest growth in the entire SSA region. Therefore, 2021 GDP growth was not a stable, sustainable, and inclusive growth rate as stated in the National Development Strategy I (NDS1). This also dampens hope or expectation for the attainment of Vision 2030 -becoming an upper-middle-income country with a Gross National Income (GNI) per capita of between US$4 046 and US$12 535.[1]

As for 2022, the government projected that the economy would expand by 5.5% under the assumption that the country receives better rainfall patterns for the 2021/22 cropping season, moderating COVID-19 infections, increased electricity production, and high global demand for commodities among others. Also, the average inflation and end period range of 32.6% and 15-20% respectively is expected in 2022. However, the balance of risk to the 2022 outlook is to the downside as the country is approaching an election season that is generally associated with unsustainable fiscal spending which could worsen the deteriorating exchange rate and rising general prices. The power challenges may continue in 2022 as the nation wait a little longer for the completion of the 600MW mega thermal plant being constructed in Hwange, financed by a US$1.5 billion loan from China. Also, the likely path of the pandemic is unpredictable.

## 3. Macroeconomic Indicators

This section scans through some key macroeconomic indicators that help explain if an economy is stable or not.

### 3.1 Inflation

Since the adoption of austerity measures in October 2018, the citizens are experiencing frequent price changes and prices of basics are now beyond the reach of many. January 2022 inflation statistics released by Zimbabwe National Statistics Agency (ZimStats) show that at 60.61%, annual

[1] https://www.worldbank.org/en/country/mic/overview#1

price increases (change between Jan 2021 and Jan 2022) were almost equal to annual price increase of 60.74% recorded in December 2021(change between Dec 2020 and Dec 2021). Monthly, price inflation increased by 5.34% in January 2022 (change between Dec 2021-Jan 2022) compared to 5.76% in the prior month (change from Nov 2021 to Dec 2021).

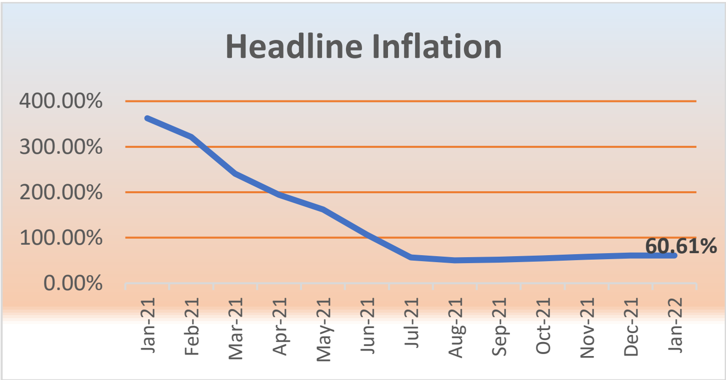


***Fig 3: Zimbabwe Annual Inflation (%)***
*Source: Zimbabwe National Statistics Agency*

Fig 3 shows declining headline price inflation to July 2021. While this was a period of calmness relative to the comparable period last year, prices were increasing by an average of 3.1% month-on-month while salaries were constant. From August 2021 to January 2022, monthly price inflation grew by an average of 5.49%. Annual inflation of 60.74% realized by December 2021 was 6-fold the initial RBZ projection of 10%.

In the outlook, inflationary pressures remain elevated. The mounting global wave of inflation especially in advanced nations can result in imported inflation. The lack of public confidence in local currency, lack of public trust in the monetary authorities coupled with an inefficient auction market system spells danger for the Zimbabwe dollar. As alluded to earlier, the election seasons are generally associated with fiscal indiscipline. This leads to excessive liquidity (ZWL$) in the system hence fuelling local currency depreciation. Authorities also face a steep terrain in trying to increase the use of ZWL$ to save its value as the economy is re-dollarizing fast. It is also difficult to stabilize a local currency and prices in an environment where corruption by public officials is rampant. Economic reforms to eliminate distortions associated with government regulations and structural reforms to strengthen the institutional and legal framework among other reforms are long overdue to help reduce the cost of doing business and transacting in Zimbabwe.

## 3.2 Exchange rate

The official exchange rate in Zimbabwe is determined through a Dutch Forex Auction System which is held every Tuesday of the week. In January 2022, only 2 RBZ auction forex trades were conducted as the re-opening was postponed after the RBZ released a bombshell that it found a group of companies that were externalizing forex acquired from the auction. In that month, a total of US$69.6 million was exchanged hands on the auction market. For the whole month, the Zimbabwe dollar plunged by 5.85% from ZWL$108.7 end of December 2021 to ZWL$115.4 by end of January 2022.

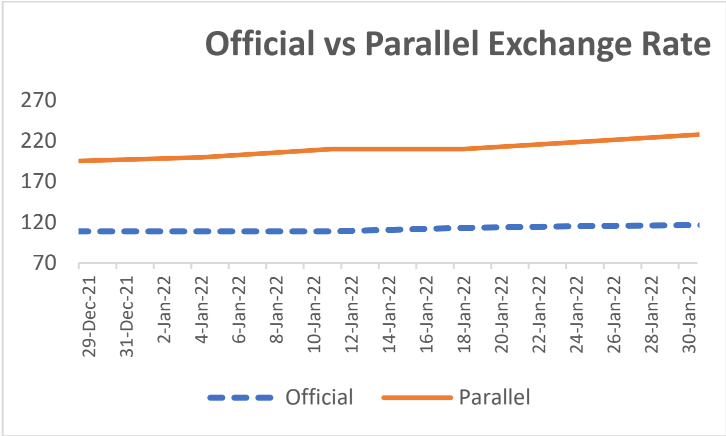


**Fig 4: Official and Parallel Exchange Rate**
*Source: RBZ, ZIMCODD*

While the official rate has been largely stable since August 2020, the local currency has lost most of its value in the parallel market. Between the end of Dec 2021 and 31 January 2022, ZWL$ lost 13.6% of its value in the parallel market, which is more than double the loss in the official (RBZ) market. The parallel market premium, that is, the percentage difference between the parallel and official rate grew from 75% in early December 2021 to over 90% end of January 2022. The conventional threshold for these premiums is 20%. This shows that the local currency is not stable as authorities suggest.

The auction market is widening inequalities in an economy that is close to fully dollarize as only a selected few are accessing cheap forex from this market. The general public is being soaked in rains to access US$50 per week from currency exchanges (bureau de change) while some companies are externalizing forex received from the auction. Also, the auction system has created arbitrage opportunities, where one can get US$1 at ZW$116.65 from RBZ and sell it in the parallel market at ZW$230 thereby making a riskless profit. Companies that are accessing forex from the auction are selling their goods and services at local prices benchmarked against the parallel rate. This is unfair to taxpayers like those exporters that are forced to cede 40% of their export proceeds in exchange for local currency at the foregoing overvalued RBZ rate.

If directly invested in people, ceteris paribus, the forex that is being wasted every week on the auction can transform the living standards of citizens. To discover the true price of the ZWL$, there is a need for a system that is market-driven. The fact that RBZ is the sole supplier of traded forex on the auction, the auction will continue to be prone to insider trading shenanigans and manipulation by authorities to give a picture of stability to absolve themselves from their incompetence and push the blame on human behaviour. The auction in its current form is contributing to the demise of the Zimbabwe dollar. As such, it needs to be revamped and being run transparently to cultivate public confidence and trust.

## 3.3 Reserve Money Supply

Excessive money supply growth driven by unsustainable fiscal spending is one of the major causes of currency and price instability in Zimbabwe. This assertion is supported by monetarists who posit that inflation is always and everywhere a monetary phenomenon.

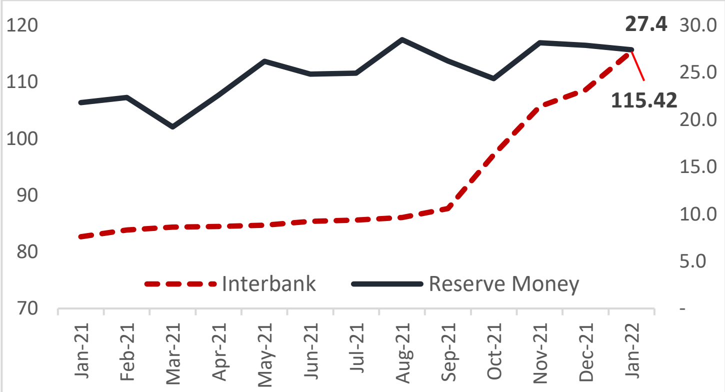


**Fig 4: Reserve Money Supply and Official Exchange rate**
*Source: RBZ, ZIMCODD*

The preliminary estimates show that reserve money, the base level of money supply comprising of notes and coins, and commercial banks' deposits at the central bank, mounted 26% between Jan 2021 and Jan 2022. Also, the latest statistics from RBZ show that broad money soared by a staggering 137.6% to ZWL$437.92 billion in November 2021 from ZWL$184.35 billion in Nov 2020.

Figure 4 is showing a positive link between money growth and exchange rate deterioration in the official market. Since 2019, the government has been emphasizing the need to eliminate quasi-fiscal activities by RBZ and finance all expenditures through the national budget. However, to date, the Bank continues to print money to cover items that should normally go through the budget. This is causing excessive liquidity in the market, hence fuelling depreciation.

## 3.4 External Trade

The latest statistics released by ZimStat show that in November 2021, Zimbabwe exported merchandise totalling US$647.23 million, up 20.88% from US$535.43 million recorded in October 2021. In the same month of November 2021, the country imported merchandise to the tune of US$683.14 million, down 4.17% from US$712.88 million realized in the prior month. As such, the trade balance (difference between exports and imports) for the month came in at -US$35.91 million which is a trade deficit.

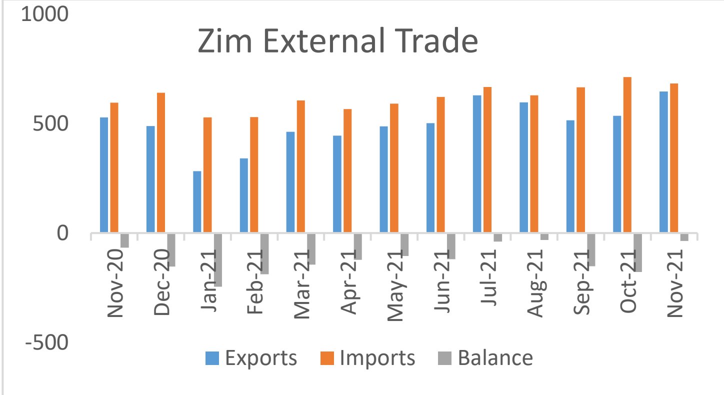


**Fig 5: Zimbabwe External Trade Position**
*Source: ZimStat*

Cumulatively, Zimbabwe export receipts for 2021 (Jan-Nov) came in at US$5.44 billion while imports were US$6.8 billion giving a trade deficit of -US$1.4 billion. For the comparable period in 2020, the country experienced a trade deficit of -US$1.1 billion.

Generally, a trade deficit is not harmful to a country provided the foreign spending is on merchandise that will promote economic growth such as importation of raw materials, energy demands, and capital goods among others. However, for Zimbabwe, most imports are merchandise for current consumption as the country has a weakened industry (manufacturing). A strong industry will reduce demand for imports thus saving the country direly needed forex reserves. Forex reserves are key in supporting the value of a currency as well as providing cover during unpleasant times of natural disasters and fighting climate change. As such, there is a need for prudent economic policies like import substitution and promotion of local products/production especially by the government which is the largest single procurement entity.

## 3.5 Government Accounts

In 2021, Zimbabwe Revenue Authority (ZIMRA) outpaced its quarterly revenue collection targets. The latest statistics released for the fourth quarter of 2021 (Q4:21) show that gross revenue collection for Q4:21 stood at ZWL$161.08 billion, 48.91% above the target of ZWL$108.17 billion. After paying for refunds totalling ZWL$3.9 billion, net revenue collections for the quarter closed at ZWL$157.19 billion -a 45.31% above target.

Cumulatively, ZIMRA's net collections for the full year (2021) stood at ZWL$469.21 billion, 21.12% above the target of ZWL$387.4 billion. The 2021 Mid-term Budget Review projected fiscal spending for the entire year was projected at ZW$421.6 billion. Going by these statistics (though subject to revisions), it means that the government has recorded a budget surplus of ZWL$47.61 billion in 2021.

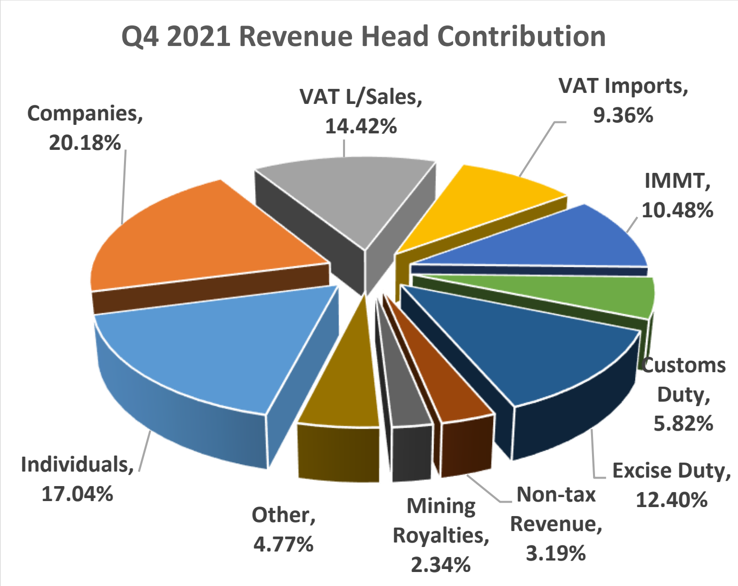


**Fig 6: ZIMRA Revenue Head Contribution**
*Source: ZIMRA Quarterly Revenue Performance Report*

But are these surpluses meaningful? Generally, an increase in tax collections reflects a burgeoning economy that should be characterized by quality and affordable public services, social protection, quality infrastructure, and rising welfare among others. However, for Zimbabwe, the opposite is the case as the rising tax collections are a manifestation of the rising cost of living and continued piling of regressive taxes on the masses by the Treasury. The government is failing to cushion the vulnerable groups from the devastating impacts of the COVID-19 pandemic as the collected revenues are being abused, misused, misappropriated, and diverted for private gain by public officials. This is evidenced by the findings of the Auditor-General audit reports for 2019 that showed a lack of transparency in government. For instance, ZIMCODD analysis found that the government was prejudiced by its officials of over ZW$330 million of COVID-19 resources in 2020.

Furthermore, due to rampant corruption, there is the protection of incompetence and waste in government. For example, amid a global pandemic and a dire shortage of medical drugs, equipment, and healthcare professionals especially in rural areas, the Health Ministry has managed to utilize only 46% of its budget votes as of September 2021 while other ministries like Agriculture have nearly doubled their budget votes by spending 171% by September 2021. It is ZIMCODD's position that public resources should be managed transparently. This is key in transforming and improving the livelihoods of citizens.

## 3.6 Public Debt

Zimbabwe is facing a huge debt burden. Statistics released by Treasury through the 2022 National Budget show that total Public and Publicly Guaranteed (PPG) debt stood at US$13.7 billion as of September 2021, up 30.5% from US$10.5 billion recorded as of December 2020. The jump in PPG debt was attributed by the assumption of RBZ legacy (blocked funds) debts by the state to the tune of US$3.3 billion.

In January 2022, the government revealed that it was assuming US$3.8 billion of blocked funds which RBZ owes to 855 firms when it failed to help them repatriate it abroad due to an acute shortage of foreign currency in 2019.[2] This means that the total PPG as of January 2022 amounted to US$14.2 billion, with RBZ related debt alone of US$5.54 billion (balance sheet debt plus assumed debt of 2015) constituting almost 40% of the total PPG stock.

Therefore, there is an urgent need for the government to find sustainable ways to curb skyrocketing public debt which is driven partly by the government's continued assumption of RBZ debts. The PPG debt is now insurmountable as it breaches the 70% threshold set in the Public Debt Management Act, as well as the 60% threshold, agreed in the SADC macroeconomic convergence targets. This debt burden is crippling domestic resource mobilization, a good alternative to external borrowing. The government is now relying on the imposition of high regressive taxes where the rich are not contributing their fair share hence widening income inequalities.

# 4. Sectoral Review

## 4.1 Energy Sector

The country is facing energy shortages and the cost of energy remains high. Below is a brief review of the developments in the electricity and fuel sector in January 2022.

### 4.1.1 Electricity Sector

In the month under review, the country particularly households witnessed increased load shedding schedules instituted by ZETDC to ration electricity. These shortages emanated from reduced production at the country's thermal stations.

**Table 2: Electricity Generation (Feb 1, 2021)**

| Power Station | Installed Capacity | Actual Generation |
|---|---|---|
| Harare Thermal | 50MW* | 28MW |
| Bulawayo Thermal | 90MW* | 0MW |
| Munyati Thermal | 50MW* | 0MW |
| Hwange Thermal | 920MW | 244MW |
| Kariba Hydro | 1050MW | 877MW |
| **Total** | **2160MW** | **1149MW** |

Source: ZPC

[2]https://www.theindependent.co.zw/2022/01/16/rbz-assumes-us38bn-debt-in-blocked-funds/

Zimbabwe's aging thermal stations are experiencing frequent breakdowns and are now costly to operate. Generally, a thermal power plant has a life span of 30 years yet some of the existing thermal plants were commissioned in the 1950s. The shortage of foreign currency is limiting ZPC's capacity to import adequate repairs such as generators, turbines, and transformers. As such, the country is now over-relying on Kariba Hydro as shown in table 2. As of 1 February, total electricity generation was 1 149MW against an average national demand of 1 735MW giving a deficit of 586MW.

The electricity shortages are subduing industrial activity and are also piling misery on households who have to find alternatives like liquified gas. However, these substitutes are being sold largely in forex, yet many citizens are earning in the local currency. The local prices charged are punitive as they are benchmarked to the exorbitant parallel rates. Therefore, there is a need for the government to diversify its energy mix by adding renewables like solar energy which in turn are cheap to produce hence lowering the cost per kilowatt to the consumers.

### 4.1.2 Fuel

Zimbabweans have been experiencing rising fuel prices, a development mirroring the movement of global prices of crude oil. Zimbabwe is a net importer of petroleum, as such, it is an oil price-taker. The increased vaccination campaigns against the COVID-19 pandemic especially in the advanced countries since late 2020 coupled with oil supply (production) cuts by OPEC+ have supported global oil prices. This, coupled with rising Free on Board (FOB) costs and high taxes such as excise duty forced ZERA to review fuel prices upwards monthly.

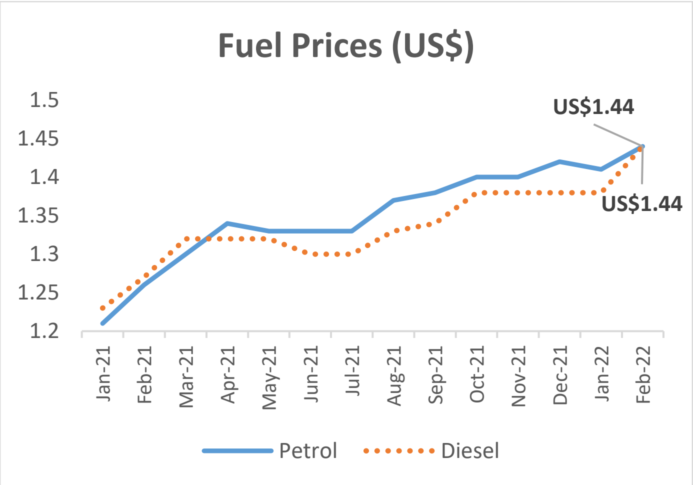


**Fig 6: Zimbabwe Monthly Fuel Prices**
*Source: ZERA,*

Between January 2022 and February 2022, the maximum diesel pump price per litre mounted 4.3% from US$1.38 to US$1.44. For the same period, maximum petrol pump prices per litre mounted 2.15% to US$1.44 from US$1.41. Exorbitant fuel prices in a country also facing electricity shortages increases the cost of production and commerce, hence elevating inflationary pressures. Also, transport cost for the commuting public has increased beyond the reach of many while the state assisted ZUPCO is being overwhelmed by passenger traffic due to a limited fleet. To cushion economic agents, the government should reduce extra charges on fuel such as duty as well as undertaking a big bang approach as opposed to the current gradualist approach being used to increase the ZUPCO fleet.

## 4.2 Agriculture

The agriculture sector experienced its best year in 2021 since the chaotic Land Reform Programme of the early 2000s. This came at the back of normal to above normal rainfall patterns received during the 2020/21 cropping season.

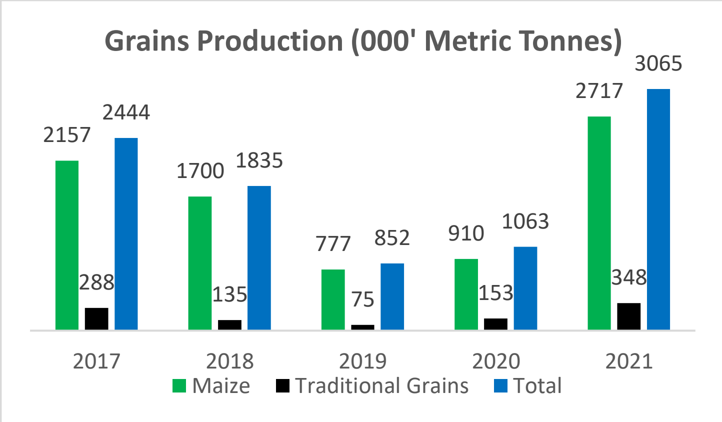


**Fig 7: Zimbabwe Grains Production**
*Source: Ministry of Agriculture*

With a national staple maize requirement of about 2.2 million metric tonnes for both human and livestock consumption, Zimbabwe has managed grains surplus of about 865,000 metric tonnes in 2022. While this is a commendable milestone, the citizens particularly those in the deficit-producing regions like urban areas are facing high food inflation. It is high time for Grain Marketing Board to release enough stock from its reserves to cushion the vulnerable groups.

## 5. Disclaimer

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