

The Mutare Consensus, 9th July, 2025



Context and Background

The **7th Zimbabwe Annual Debt Conference**, convened by the Zimbabwe Coalition on Debt and Development (ZIMCODD), the African Forum on Debt and Development (AFRODAD) and partners was held on July 8-9, 2025, in Mutare under the theme, "*Sustainable Public Debt Management Towards Vision 2030*." The Conference brought together a total of 125 delegates from diverse sectors. These include the Office of the President and Cabinet (OPC), government departments, the Parliament of Zimbabwe (PoZ), local authorities, academia, private-sector players, development partners, Organizations of Persons with Disabilities (OPDs), civil society organizations, the Church and other Faith Based Organizations (FBOs), community-based organizations, residents' associations, and marginalized groups (including women, youth, and Persons with Disabilities - PWDs) while many others participated virtually.

The Conference served as a dynamic platform for reflection, dialogue and consensus-building on enhancing debt management strategies, strengthening domestic accountability mechanisms and promoting inclusive, people-centred and sustainable development in Zimbabwe.



Red Alert Section:

\$21

**\$21 Billion Total
Debt (2024)**

18.6%

Spike Since 2023

83.8%

**83.8% of external
debt is made up
of arrears**





Shared Commitments and Consensus


We, the delegates, acknowledge the progress made in enhancing debt transparency and institutional reforms, while also recognizing the urgent need to address Zimbabwe's rising public debt, recorded at **US\$21 billion** as of June 2024 and its implications on service delivery, economic justice and inclusive development.

Cognizant of the urgency for responsible debt management, arrears clearance, and debt resolution in Zimbabwe, by examining the status and key drivers of public debt, as well as its socio-economic effects on citizens, especially vulnerable and marginalized groups of women, persons with disabilities, children and youth.

Appreciating the Government's significant progress towards promoting debt transparency, evidenced by its publication of detailed public debt data in national budgets, debt bulletins, and annual reports; establishment of debt management frameworks including a Debt Recording System (introduced in 2004); enactment of the Public Debt Management Act (2015); launch of the Arrears Clearance Strategy (2015); establishment and operationalization of the Public Debt Management Office; clearance of IMF arrears (US\$108 million in 2016); and enhanced capacity of the Office of the Auditor-General (OAG) to conduct comprehensive debt audits.

Recognizing the Government's efforts to address the current debt overhang, including the ongoing Structured Dialogue Platform (SDP), which fosters dialogue with all creditors and development partners on reforms supporting arrears clearance and debt resolution. Additionally, noting the integration of debt sustainability into national development frameworks like NDSI which strategically aligns with Vision 2030, ensuring debt management advances long-term inclusive growth. These initiatives are reinforced by a renewed commitment to fiscal responsibility, demonstrated through targeted measures to curb non-productive borrowing and enhance domestic resource mobilization.

Acknowledging Parliament's legislative and oversight role in promoting transparency and accountability in the loan contracting process, use of public funds, debt servicing, and timely financial reporting.



Emphasizing the importance and centrality of citizen engagement and multistakeholder collaboration to accelerating robust, inclusive, and sustainable development through effective public debt management.

Encouraged by the ongoing government process of undertaking the terminal evaluation of the National Development Strategy I (NDSI), which lies at the core of Zimbabwe's sustainable development agenda - Public Debt Management, and the strategic imperative to position and prioritize it within the framework of the upcoming National Development Strategy (NDS2), which is currently under consideration.


Concerned by the total debt reaching approximately US\$21 billion by June 2024, an 18.6% increase from the US\$17.7 billion recorded in September 2023. This comprises US\$12.3 billion in external debt and US\$8.7 billion in domestic obligations.

Further concerned that debt servicing consumes a significant portion of the national budget, limiting the government's ability to fund essential public services, including affordable healthcare, quality education, portable water, infrastructure, and social protection.

Understanding that while effective public debt management is fundamental to economic stability, it must not undermine social protection, human development and economic opportunities for the majority populace in Zimbabwe.

Recognizing that special attention should be devoted to protecting social services to ensure that economic growth benefits all Zimbabweans, especially marginalized groups (including women, youth, and Persons with Disabilities - PWDs).

Mindful of the fact that the economy still faces enormous challenges such as budget deficits, climate shocks, highly informal economy, and limited revenue, all of which require bold, local solutions crucial for achieving fiscal stability.



We affirm that public debt management must be **transparent, accountable, inclusive** and **aligned** with national development aspirations, particularly:

- Vision 2030
- The National Development Strategy (NDS I and NDS2)
- The African Union Agenda 2063
- The Sustainable Development Goals (SDGs)

We further affirm that this consensus will serve as a collective guide and accountability framework for all stakeholders to monitor the implementation of the resolutions we commit to herein.

Participants of the 7th Zimbabwe Annual Debt Conference reached consensus on the following salient issues:

Reparative Justice and Global Financial Reform

1. **Resolved** that Zimbabwe's debt restructuring processes under the Structured Dialogue Platform shall be informed by a shared understanding of the historical and structural roots of debt, including colonial legacies, post-independence reconstruction burdens, Structural Adjustment Programmes' induced austerity, escalating climate vulnerabilities and an unjust global financial architecture.
2. **Collectively support** the Ministry of Foreign Affairs, in collaboration with Parliament and civil society, to champion a United Nations Convention on Sovereign Debt, promoting fair, transparent and binding global debt restructuring mechanisms.

Domestic Resource Mobilization and Fiscal Innovation

3. **Agreed** that the Ministry of Finance will lead the development of a comprehensive Domestic Resource Mobilization Framework, with inputs from civil society, ZIMRA and local authorities to expand the tax base and promote equity.
4. **Endorsed** the implementation of a biometric-driven e-taxation system by ZIMRA to enhance compliance, efficiency and reduce reliance on external debt.
5. **Resolved** that the Office of the President and Cabinet shall advance e-governance and e-procurement systems, supported by the necessary digital infrastructure investments.
6. **Collectively supported** a comprehensive national debt audit, with the Parliamentary Public Accounts Committee, the Public Debt Management Office and the Auditor General's Office mandated to lead the process, in collaboration with civil society.



Gender Equality, Care Economy and Social Protection

7. **Committed** to strengthening the care economy by expanding community-based care centres and reducing the burden of unpaid care work on women and girls. The Ministry of Public Service, Labour and Social Welfare shall coordinate this with support from the Treasury.

8. **Resolved** that the Ministry of Women Affairs, in partnership with the Ministry of Finance, will lead efforts to empower women economically through increased access to credit, training and financial literacy for marginalized women (including female-headed households and women with disabilities).

9. **Agreed** to promote women's participation in high-value sectors, including agriculture, mining and manufacturing, through targeted policy support and inclusion quotas.

10. **Support** the institutionalisation of gender-responsive budgeting, with measurable outcomes and performance indicators, led by Treasury.

11. **Reaffirm** our joint commitment that social spending must be safeguarded, even within debt restructuring frameworks and the IMF Staff Monitored Programme (SMP). This includes:

- o Ring-fencing budgets for child-sensitive social protection;
- o Expanding access to quality early childhood development (ECD);
- o Scaling up inclusive, community-based social protection systems responsive to age, gender, and disability.

Local Governance and Service Delivery

12. **Resolved** that local authorities, with oversight from the Public Debt Management Office, shall be permitted to responsibly borrow for infrastructure development.

13. **Called For** to revitalise the Public Sector Investment Programme (PSIP) to align local development with debt sustainability and service delivery goals.

14. **Support** a comprehensive review of devolution structures, coordinated by the OPC and Ministry of Local Government, to improve resource allocation and utilisation.



15. **Endorsed** a formula-based Road Fund allocation model, to be developed by ZINARA in consultation with local authorities and stakeholders, ensuring:

- Timely and equitable disbursements;
- Participatory planning, including rural and urban councils, provincial engineers and planning units;
- Needs-based and performance-informed funding.

Private Sector and Economic Transformation

16. **Recommend** that the Government, through the Ministry of Industry and Commerce, will prioritize industrialization policies leveraging Zimbabwe's comparative advantages in agriculture, mining and manufacturing.

17. **Support** continued implementation of ease-of-doing-business reforms, with the Zimbabwe Investment and Development Agency (ZIDA) leading in reducing regulatory burdens and curbing corruption.

Informal Economy and Inclusion

18. **Concurred** that both central and local authorities shall invest in infrastructure, policies, and incentives that support the formalization of the informal economy as this will reinforce domestic resource mobilization efforts.

19. **Uphold** the adoption of ILO Recommendation 204/15 to guide Zimbabwe's formalization strategy, ensuring decent work and inclusion in national development.

Natural Resource Governance

20. **Concurred** that Parliament and the Ministry of Mines, in collaboration with civil society, shall align the Mines and Minerals Act with the Constitution and global standards such as the Extractive Industries Transparency Initiative (EITI).

21. **Committed** to scale up the use of technology in the extractives sector to improve transparency and curb illicit financial flows.

22. **Recommend** adequate budgetary support for oversight institutions, especially Parliament and the Office of the Auditor General to ensure prudent management of public resources.



Climate Justice and Ecological Debt

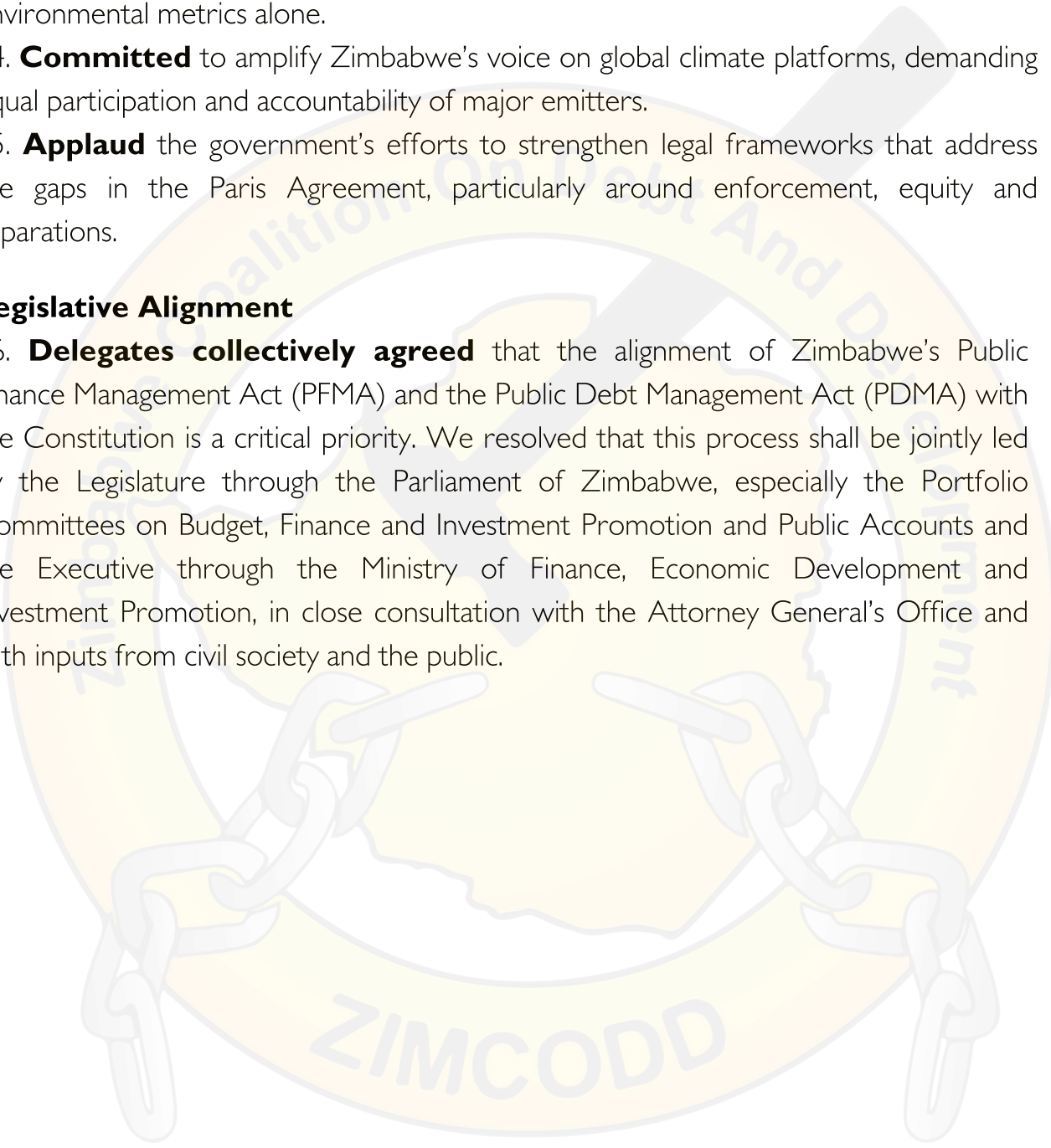
23. **Committed** to reassessing existing Nature-Based Debt Swaps, advocating for swaps that prioritise community-led, gender-equitable ecological investments over environmental metrics alone.

24. **Committed** to amplify Zimbabwe's voice on global climate platforms, demanding equal participation and accountability of major emitters.

25. **Applaud** the government's efforts to strengthen legal frameworks that address the gaps in the Paris Agreement, particularly around enforcement, equity and reparations.

Legislative Alignment

26. **Delegates collectively agreed** that the alignment of Zimbabwe's Public Finance Management Act (PFMA) and the Public Debt Management Act (PDMA) with the Constitution is a critical priority. We resolved that this process shall be jointly led by the Legislature through the Parliament of Zimbabwe, especially the Portfolio Committees on Budget, Finance and Investment Promotion and Public Accounts and the Executive through the Ministry of Finance, Economic Development and Investment Promotion, in close consultation with the Attorney General's Office and with inputs from civil society and the public.



The Mutare Consensus, July, 2025



Conclusion

The Mutare Consensus is a living instrument of collective accountability, capturing the shared commitments made by all stakeholders during the 7th Zimbabwe Annual Debt Conference.

We, the delegates, commit to upholding, tracking and advancing these resolutions through our respective institutions, networks and platforms. This document serves as a reminder of what is possible when we act together and as a benchmark for future progress.

As Zimbabwe navigates its path toward Vision 2030, we reaffirm that debt justice, inclusive development and accountable governance are not optional, they are essential.

