POLICY BRIEF ON THE PERCENTAGE SHARE OF SOCIAL SPENDING IN GOVERNMENT EXPENDITURE

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Executive Summary

Social protection spending has become increasingly important in Zimbabwe as it aims to address increasing poverty, inequality, and vulnerability caused by the economic crisis. This policy brief analyses the government's non- contributory social spending from 2019 to 2023. The specific focus of the brief is on the extent to which social spending is gravitating towards poverty alleviation in line with Sustainable Development Goals (SDG 1); climate action (SDG 13;) Reducing inequalities (SDG 10) and achievement of gender equality in line with SDG 5.

Despite poverty increasing from 30% in 2017 to 42% in 2023 the brief finds that Zimbabwe's social spending averaged 0.5% of Gross Domestic Product (GDP) during the 2019 to 2023 period much lower than the 1.5% of GDP for Sub-Saharan African countries. During the period the social spending budget allocation increased from US$47.1 million in 2018 to an average of US$82.9 million but this is inadequate as coverage at 37% in 2019 left half of the people in extreme poverty without any form of assistance. Further worsening the situation is low budget utilisation for social protection programmes below the national average spending.

The brief established that the impact of social protection on poverty and inequality is positive but minimal due to low social protection spending, low coverage, low adequacy of benefits and poor beneficiaries targeting. Another finding is that despite Climate Smart Agriculture for the vulnerable (Pfumvudza/Intwasa) being the most prioritised social protection programme, poverty and food insecurity persist while grain yield improvements are still below the regional average. The brief recommends evaluation of all social protection programmes to determine the optimal social protection mix that addresses vulnerabilities at all stages of the life cycle.

The brief finds that while education funding, sanitary wear and maternal health care fees waiver programmes are gender sensitive, they must be adequately funded to effectively address gender disparities. For other social protection programmes, the brief finds the lack of gender disaggregation coupled with the general low funding and weak budget execution limits the gender equalisation role of the programmes.

In order to improve the impact of the social protection, this brief recommends that Treasury must increase social protection budget allocation to improve the coverage and adequacy. Treasury must address weak budget execution through improved disbursements and capacity strengthening of Ministries Department and Agencies (MDAs) with utilisation challenges. The brief recommends indexing benefits to inflation as well to improve adequacy of benefits. Additionally, the Ministry of Finance and Economic Development (MoFED) should come up with innovative and predictable funding for social protection such as ring-fencing identified tax revenues.

The brief also recommends that the Ministry of Public Service Labour and Social Welfare must update the National Social Protection Framework (NSPF) to address the gaps in the social spending framework, beneficiaries targeting, low coverage, fragmentation of programmes and weak institutional coordination among others. The Framework must be informed by participatory evaluation to ensure that it, prioritise the poor and vulnerable, is climate and shock responsive while promoting gender and social inclusion in the true spirit of human rights-based framework which leaves no one behind.

1. Introduction

Governments around the world are expected to prioritize the well-being of their citizens by investing in social protection programs that address poverty, inequality, and vulnerability. One way to gauge the commitment of governments to social welfare is to examine the percentage share of social spending in their overall budget. This policy brief aims to analyse the trends in social spending in government expenditure from 2019 to 2023 focusing on the non-contributory government social protection schemes. Specific objectives of the Policy Brief are:

- To critically analyse social spending (in terms of budget allocations & disbursements; adequacy and responsiveness; gender sensitivity; service delivery impact) and provide an overview of how social spending has evolved in the past 5 years
- To track progress and analyse the extent to which social spending allocations in Zimbabwe are gravitating towards poverty reduction, reduction of inequalities and climate action in line with Sustainable Development Goals (SDG) 1, 10 and 13.
- To draw critical lessons and gaps from Zimbabwe's social spending relative to other countries in the SADC in the same period and proffer recommendations for enhancing the effectiveness of fiscal policies.

The analysis will proffer recommendations for enhancing the effectiveness of fiscal policies in the context of poverty alleviation, reduction of inequalities, enhancing climate action, resource allocation and utilization.

2. Background and Context

Zimbabwe is among other countries in Sub-Saharan Africa which are grappling with an intersecting crisis including the climate change crisis; slow post COVID-19 recovery; unsustainable debt crisis; collapsing macroeconomic indicators; high corruption prevalence & -illicit dealings; the current Russia-Ukraine war, which is contributing to overstretched food systems, heightened food insecurity, high fuel costs, rising inequalities, among other factors. The proliferation of all these crises is disproportionately impacting rural livelihoods, women, youths, and other marginalised groups.

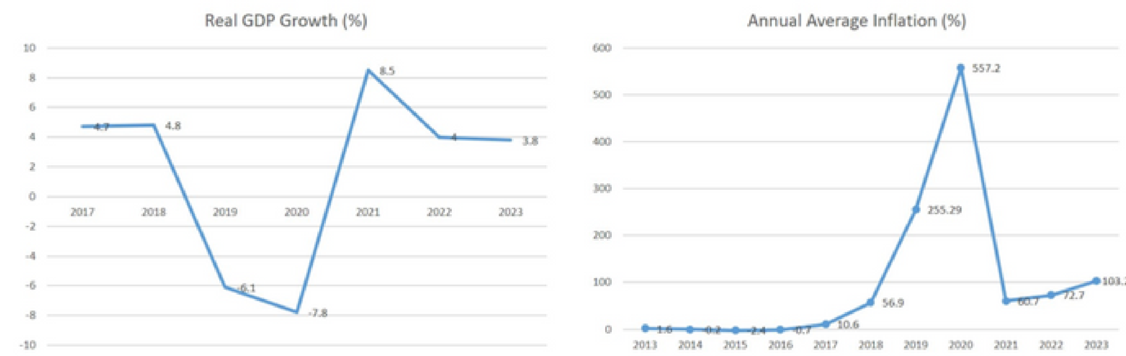
2.1 Macroeconomic Context

Zimbabwe's economy is characterised by slow economic growth, high inflation, currency instability, fiscal deficits and unstainable debt which have contributed to a decline in economic activity and living standards for many Zimbabweans.

Economic Growth

Real economic growth at an average of 0.5% during the 2019-2023 period is inadequate to accelerate poverty reduction and create enough decent jobs. This is also below the minimum average growth rate of 5% set in the National Development Strategy 1 (NDS1) as a prerequisite for achieving the Vision 2030 targets of being an upper middle-income economy.

Figure 1: Real Gross Domestic Product and Inflation



Source: Authors Calculation from Reserve Bank of Zimbabwe CPI Figures and National Budget Statements.

Inflation and Currency Developments

Inflation rose from single digit levels pre reforms in 2017 to an average of 210% during the 2019-2023 period driven mainly by food prices responding to rising parallel exchange premiums. The Zimbabwe dollar depreciated by 521% against the US dollar in 2022 triggering an increase in inflation from 60.6% in January 2022 to 285% in June 2022[1]. The high inflation and currency depreciation disproportionately affects the poor and vulnerable including women and children who spend a large share of their income on food.

Debt Challenges

Zimbabwe's unsustainable debt at US$17.5 billion (US$14.04 billion external US$3.4 Domestic) is a cause for concern as it limits funding options for social sectors while debt repayments crowd out social sector investments. According to the 2023 Debt Statement, the Government made external debt service payments amounting to US$50.28 million during the period January to September 2022, almost half the size of the 2022 social protection budget.[2]

2.2 Social Context

The Sustainable Development Report (2023) notes that at this midpoint of the 2030 Agenda, all of the SDGs are seriously off track. According to the report this has been due to the COVID-19 pandemic and other simultaneous crises. The report further notes that the disruptions caused by these multiple crises has aggravated fiscal-space issues especially in low-income countries (LICs) leading to a reversal in progress on several goals and indicators. Zimbabwe is no exception with most goals including SDG1 (no poverty), SDG 10 (reduced inequalities) decreasing since 2015 while there is a moderate improvement in SDG 13 (Climate Action) according to the 2023 SDG Index which ranks Zimbabwe at 138/166 with a score of 55.6.[3]

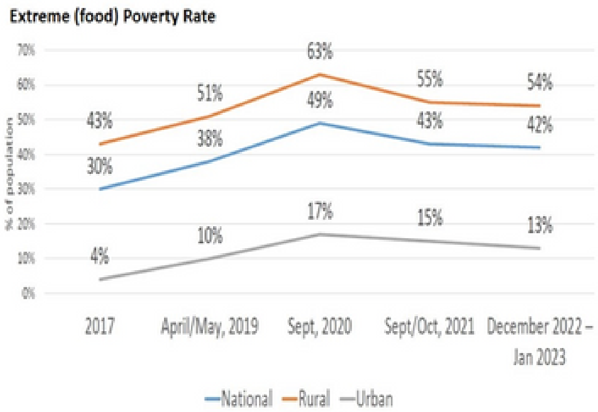
Although there have been improvements in terms of access to basic infrastructure services, such as clean drinking water, sanitation, and electricity, Zimbabwe has a low human development score of 0.591 and is ranked at 146 out of 196 in 2021[4].

1. Africa Development Bank (2023). Zimbabwe Economy Outlook.
2. Ministry of Finance and Economic Development (2022). Statement of Public Debt
3. Sachs, J.D., Lafortune, G., Fuller, G., Drumm, E. (2023). Implementing the SDG Stimulus. Sustainable Development Report 2023.
4. https://blogs.worldbank.org/africacan/contradictory-trends-zimbabwe-human-development-indicators-improve-poverty-rises-and

Poverty (SDG1) and Inequality (SDG 10)

Soaring inflation and incessant currency depreciation from the onset of austerity measures and currency reforms in 2019, contributed to increased poverty and inequalities. Extreme poverty rose from 30% in 2017 to 42% in 2023[5] while inequalities rose from 44.7 in 2017 to 50.4 in 2019.[6] According to a micro-simulation based on the PICES 2017 data, price hikes of maize grains and maize meal increased extreme poverty by two percentage points(ibid.). As such the spike in prices and currency depreciation experienced in the first half of 2023 will have a negative impact on poverty and inequality.

Figure 2: Poverty and Inequality



Breakdown of Gini Coefficient by Rural and Urban Areas

	2017	2019
Total	44.7	50.4
Urban/rural		
within-group inequality	17.4	21.4
Between-group inequality	23.6	22.9
Overlap	3.6	6.0

Source. ZIMSTAT (2023). Results from the Ninth Round of Rapid PICES Phone Survey Data and ZIMSTAT and World Bank (2020). Zimbabwe

Education

Zimbabwe has considerably high literacy levels at 93.7% although higher in the urban areas (97.1%) compared with rural areas (91.3%) (ZIMSTAT 2022).[7] Net enrolment ratios increased for the Early Child Development (ECD) level from 58 in 2019 to 63% in 2022 and Secondary level increased from 32% to 64.8% while declining from 94% to 90.3% for Primary level but the rural areas lag behind the urban areas. The low net enrolment ratios at ECD level are as a result of limited age-appropriate infrastructure and shortage of teachers while failure to raise school fees is the main reason at secondary school level (UNICEF, 2022).

Healthcare

Progress has been noted in Maternal Mortality Rate (MMR) that declined from 462 per 100 000 live birth in 2019 to 363 per 100 000 live births in 2022[8] but this is still below the SDG target of less than 70 per 100,000 live births by 2030. Infant mortality, child mortality and under 5 mortalities has also improved. However, there are gaps in terms of health infrastructure with a national average of 1.1 health facilities per 10 000 people which is below the country's target of 2 health facilities per 10 000 people.[9] Zimbabwe also has a health workforce density below the global median of 49 medical doctors, nursing and midwifery personnel per 10 000 people required to achieve the SDG target for universal health coverage (UHC) by 2030.[10]

7. ZIMSTAT (2022). 2022 Population and Housing Survey. Preliminary Report on Education.
8. ZIMSTAT (2022b). 2022 Population and Housing Census Preliminary Report on Mortality and Orphanhood
9. Ministry of Health and Child Care (2021). National Health Strategy 2021-2025.
10. https://healthpolicy-watch.news/eight-country-healthcare-workers-migration/

Gender Equality

The 2023 SDG progress report shows that Zimbabwe is moderately improving with regards to gender equality (SDG5) while the 2023 World Economic Forum, Global Gender Gap report shows that the country moved from 50 in 2022 to 45 in 2023 out of 146 countries and territories.[11] According to the Global Gender Gap report, Zimbabwe does relatively well to other countries in terms of health survival ranking 1st and for economic opportunity and participation ranked 10th albeit with a low score of 0.8. However, the country ranks poorly in terms of educational attainment ranked 72 (mainly as a result of gender disparities at secondary level enrolment) and ranked 77th on political empowerment.

2.3 Social Sector Spending

Furthermore, worsening the situation is the failure of the Zimbabwe Government to adequately finance the social service sector in line with international spending benchmarks at a time of increased vulnerabilities. Agriculture is the only sector meeting the international benchmarks with an average of 13.4% above the recommended 10% between 2019 and 2023.

Education's share of the budget at an average of 11.5% during the period is below the 20% Dakar threshold while budget utilisation is weak. For example, the capital budget utilisation, underperformed by 91% in both 2020 and 2021 at time when there is a serious shortage of age-appropriate infrastructure for ECD level.[12] The budget utilisation at 52.7% as at 30 September 2022 was also lower than the overall budget utilisation at 64.3%.[13]

The health sector also performs poorly with an average budget of 9.5% of the total budget for the 2019-2023 period compared to the recommended 15% Abuja target. This is despite the fact that the period is during the COVID-19 pandemic which required more resources. Weak budget execution exacerbates the problem, for example, as at 30 September 2022, the Ministry of Health and Child Care had spent 42.7% of its budget while budget outturn for 2021 was at 79.5% (Ministry of Finance and Economic Development, 2022b).

The WASH sector at an average of 4.3% falls below the 7% Sanitation and Water for All commitment to ensure availability and sustainable management of water and sanitation for all. Investment in infrastructure is equally low at an average of 5.2% for the period against a target of 9.6% making it difficult for most rural communities to access markets due to poor feeder roads. Rural WASH budget performance is erratic underperforming by 17% in 2020 and 26% in 2021 worsening the rural and urban inequalities.[14]

11. https://www.weforum.org/reports/
12. UNICEF (2023). Zimbabwe Education Budget Brief, 2022.
13. Ministry of Finance and Economic Development (2022b). 2023 Estimates of Expenditure.
14. UNICEF (2023). Zimbabwe WASH Budget Brief, 2022.

Table 1: Allocation versus international benchmarks

Sector	% threshold & International Commitment	2019	2020	2021	2022	2023
Education	20% Dakar Declaration (2000)	6.5%	12.3%	12.9%	11.9%	14%
Health	15% Abuja Declaration (2009)	5.5%	9.4%	12.8%	9.3%	10.5%
Water & Sanitation	Sanitation and Water for All commitment (7%)	7.2	3.6	2.8%	4.8%	3.2%
Transport & Infrastructure	9.6 AU Declaration	5.6%	4.6%	7.1%	5.6%	3.2%
Agriculture	10% Maputo Declaration (2003)	18.9%	16.1%	11.9%	12%	8.1%

Source: Author's calculation from 2019-2023 National Budget Statements[15];ZIMCODD 2023 Budget Analysis and 2022 UNICEF WASH Budget Brief

3. Overview of Social Protection in Zimbabwe

Zimbabwe has an elaborate social protection legal and policy framework backed by the underpinned by the Constitution and a number of international and regional conventions.

3.1 Social Protection Legal Framework

Zimbabwe's social protection legal framework is underpinned by section 30 of the Constitution of Zimbabwe which requires the State to take all practical measures, within the limits of the resources available to it, to provide social security and social care to those who are in need. Other statutes in support include but are not limited to Social Welfare Assistance Act (Chapter 17:06), Disabled Persons Act (Chapter 17:10), Older Persons Act, Children's Act and the Education Amendment Act.

3.2 Social Protection Policies

Zimbabwe social protection policy is guided by the National Social Protection Policy Framework for Zimbabwe (NSPPF) of 2016[16]. The NSPPF identifies five policy pillars namely, social assistance, social insurance, labour market interventions, programmes aimed at supporting livelihoods and building resilience and social support and care. Social assistance's overall goal is to reduce poverty, vulnerability and inequality (SDG1 and 10) and enhance access to basic social services.

The NSPPF was designed within the framework of the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIMASSET), Constitutional provisions for poverty eradication, SDGs and other international declarations which identify social protection as a basic human right. Social protection implementation is now guided by the National Development Strategy 1 (NDS1) whose objective is to reduce extreme poverty and improve access to basic social services in all its forms and dimensions, including narrowing inequalities identifies social protection as one of the key national priorities[17]. Since the framework was designed within the ZIMASSET context there is need to update the NSPPF in line with current development and for better coordination and responsiveness.

15. Calculations are based on Revised Budget Estimates for each year for other Sectors except for WASH Sector which uses ZIMCODD 2023 Budget Analysis for 2023 and the 2023 UNICEF WASH Brief for 2019 to 2022
16. Government of Zimbabwe (2016). National Social Protection Policy Framework for Zimbabwe.
17. Government of Zimbabwe (2021). National Development Strategy 1, 2021-2025.

The key SDG targets for social protection include, SDG target 1.3 that aims to "implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable".[18] SDG Target 10.4 calls on countries to adopt policies, especially fiscal, wage, and social protection policies and progressively achieve greater equality.[19]

3.3 Institutional Framework

The Ministry of Public Service, Labour and Social Welfare (MoPSLSW) is in charge of coordinating and implementing most of the social assistance programmes. The National Social Protection Steering Committee (NSPSC) is the main coordinating structure for the sector that meets on a quarterly basis.

Other Ministries include the MoPSE responsible for school feeding, tuition grants and provision of sanitary wear while implementing BEAM. The Ministry of Health and Child Care (MoHCC) implements AMTO while the Ministry of Lands, Agriculture, Water and Rural Settlement is responsible for the Vulnerable Households Crop Input Support Programme.

4. Analysis of Zimbabwe Social Spending

This section analyses the social protection budget allocations and disbursements; adequacy and responsiveness; gender sensitivity and service delivery impact. The section tracks progress and the extent to which social spending allocations in Zimbabwe are gravitating towards poverty reduction (SDG1), reduction of inequalities (SDG10) and climate (SDG13).

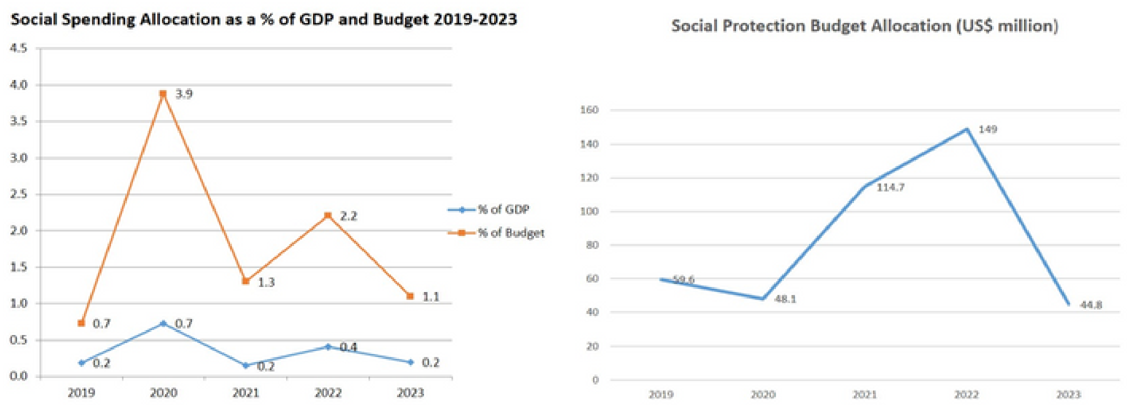
However, the incomprehensive Annual Budget Review which does not always show the budget outturn and coverage for all programmes is limiting factor to the analysis. In mitigation, outturn up to September of the year is used where available, to provide an overview of the progress and gaps in financing social protection programmes in Zimbabwe.

4.1 Progress in Social Spending (Allocations & Disbursements)

Social spending at an annual average of 2.5% of the total budget during the 2019 to 2023 period is below the 4.5% Social Policy for Africa Framework (SPAF) benchmark. As a share of the Gross Domestic Product (GDP), the social protection budget averaged 0.5% during the period, lower than the 1.5% average in Sub-Saharan African countries. While in nominal terms the social spending budget allocation increased from US$47.1 million in 2018 to an average of US$82.9 million[20] during the 2019 to 2023 period, the increase is inadequate to address the increasing poverty and inequalities during the period.

18. https://indicators.report/targets/
19. https://indicators.report/targets/10-4/
20. https://www.imf.org/en/News/Articles/2022/03/24/pr2288-zimbabwe-imf-executive-board-concludes-2022-article-iv-consultation

Figure 3: Social Spending Allocation as a % of GDP and Budget 2019-2023



Source: Authors compilation from the Zimbabwe National Budget Statements 2018-2023

4.2 Budget Execution

Further worsening the situation is the weak budget execution of the social protection budget with budget disbursements way below the social protection budget allocation. As of 30 September 2019, actual allocation to social protection was at 32% of the total social protection budget compared to the average national budget utilisation of 56.5% during the same period. This was the recurring theme in 2020 with actual social protection spending at 42.4% of the social protection budget by September 2020 at a time the national budget expenditure exceeded the revised budget estimates by 24.1%. While there was a slight improvement in 2021 with actual social protection expenditures at 77 percent compared to the national average of 87 percent, the gains made were reversed in 2022 with actual expenditure at 25% against a national average of 64% as at end of September 2022.

4.3 Adequacy and Responsiveness

According to the latest available comprehensive Poverty Income Consumption and Expenditure Survey (PICES), social protection coverage increased from 16% in 2017 to 37 percent in 2019 (ZIMSTAT and World Bank, 2020). While it is an improvement this is still far from the NDS1 target of 85% by 2025. The coverage at 37% is a long way from achieving the SDG target 1.3.1 to have substantial social protection coverage and social protection floor where everyone has access to essential social services. Equally worrying is that only half of the extremely poor were covered by at least one social assistance program in April or May 2019 which goes against the NSPPF's principle that all households in extreme poverty should be considered for all forms of social assistance.

The adequacy of the social protection programmes is also negatively affected by the fact that the social protection programmes are paid in local currency. As such, the benefits are susceptible to high inflation, currency depreciation and exchange rate misalignment which reduce the impact of the increased nominal budget allocation. In a positive move that started in June 2022, the government now indexes the benefits package in USDs at the prevailing interbank exchange rate.

However, the widening gap (parallel market premium) between the official interbank rate and the parallel exchange rate eroded all the benefits. This is because parallel rates are being widely used to benchmark ZWL prices for most goods and services.

4.4 Poverty and Inequality Impact

Research by the World Bank (2022) shows that the impact of social protection on poverty and inequality is positive but minimal.[21] According to the research, if all social protection programs were eliminated, the food poverty headcount ratio would increase by 1.7 percentage points which is lower than regional neighbours such as Botswana at 8 percentage points. In other words, without social protection transfers, food poverty in 2017 would have been 32.1 percent (compared to 30.4 percent with the transfers). The social protection system also does not play an equalisation role when it comes to inequality, as it has only a small impact on the Gini index (from 0.448 to 0.443).

While the calculations are informed by the last comprehensive PICES for 2017, the results are instructive as the social protection legislative, policy and institutional framework has largely remained the same. The challenges flagged by the research as limiting the impact of social protection included low social protection spending, low coverage, poor beneficiaries targeting and inflation eroding the value of benefits. These challenges need to be urgently addressed for Zimbabwe to achieve the goals to reduce poverty (SDG1), gender equality (SDG5) and inequalities (SDG10) by 2030. Increasing the social protection budget and efficient utilisation of resources is important to meeting the SDG social protection targets and also ensuring that coverage is informed by the NSPPF Human Rights Approach.

5. Social Spending by Sector

This section looks at the social spending by sector with the following categories, Education (Basic Education Assistance Module (BEAM), Public Examination Subsidies, Tuition Grants, school feeding programmes and sanitary wear); Health Assistance through the Assisted Medical Treatment Orders (AMTO), Food Deficit Mitigation Strategy (FDMS) for drought mitigation, Cash transfers (Harmonised Social Cash Transfer (HSCT); Support to PWDs, Support to Elderly, Child Protection made up of the children in difficult circumstances and children in the streets programmes and Productive Social Protection (Sustainable Livelihoods Programme and Agricultural Input Support Scheme).

5.1 Education Sector

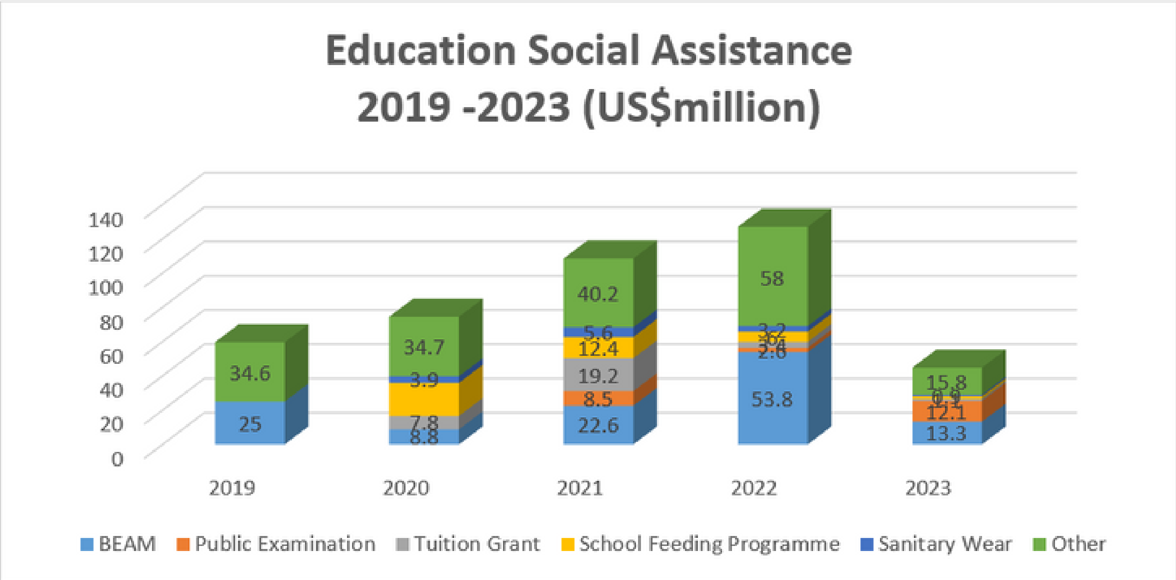
Social assistance to the education sector dominates the non-contributory social protection programmes in most of the years accounting for at least 60% of the total social protection budget since 2021. While social assistance has generally increased from US$25 million in 2019 to a peak of US$91.1 million in 2022, the increase has not responded adequately to the increased demands necessitated by the high child poverty rate with 4.8 million (76%) living in poverty.[22] The introduction of free basic education for children starting from ECD at 4 years onwards also increases the requirements for education assistance.

21. World Bank (2022). Reversing the Tide: Reducing Poverty and Boosting Resilience in Zimbabwe

22. UNICEF (2023) Situation of Children in Zimbabwe.

According to UNICEF 2022, over and above these issues, the MoPSE has some capacity challenges related to targeting and beneficiary selection which remain a huge hindrance to the rollout of programs coordinated by the Ministry (Tuition grants, public examination subsidies, sanitary wear and school feeding programmes).

Figure 4: Social Assistance in the Education Sector



Source: Authors compilation from the Zimbabwe National Budget Statements 2018-2023

5.1.1 Basic Education Assistance Module (BEAM)

During the period 2019 to 2023, the BEAM allocation averaged US$24.7 million, steadily rising from a low of US$8.8 million to a peak of US$53.8 million in 2022. However, the BEAM budget experienced weak budget execution in 2020 with an underspend of 61% in 2020 and 85% in 2021 while in 2022 only 20% had been utilised as of 30 September 2022. The weak budget execution led to non-payment of fees resulting in the exclusion of vulnerable children from school for non-payment of fees. According to ZIMVAC reports for the period, at some point children in the rural areas turned away from school during the first term because of non- payment of fees were at 61% in 2019, 50.3% in 2020 and 51.8% in 2022.

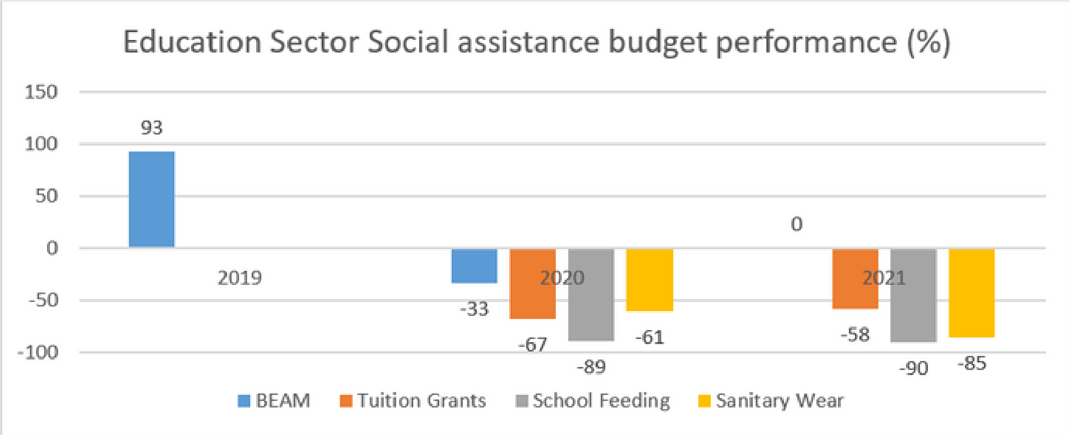
Coverage for the BEAM programme increased during the period although most children are still not covered. In 2019 the government supported 415 000 children under BEAM and the coverage increased to 1 million children in 2020 against 4.8 million children in need of formal and informal education. Approximately 68% of pre-primary aged children (3-5 years) and 47% adolescents (13-18 years) are not in school. A 2022 education fact sheet by UNICEF shows that there was an increase in school dropouts as approximately 50% of children are not in school.[26]

Another challenge is that the increased coverage has not been matched by the increase in the BEAM budget. In 2019, the US$25 million budget was equivalent to US$60 per child but this falls to US$8.8 in 2020, US$16 in 2021, US$35.85 in 2022 and US$8.87 in 2023.

23. https://fnc.org.zw/wp-content/uploads/2019/07/ZimVAC-2019-Rural-Livelihoods-Assessment-report.pdf
24. https://docs.wfp.org/api/documents/WFP-0000119650/download/
25. https://fscluster.org/zimbabwe/document/2022-zimvac-rural-livelihoods-assessment
26. https://zimcodd.org/wp-content/uploads/2022/05/ZIMCODD-April-Policy-Digest.pdf

This is too low to cover the school fees of disadvantaged children with anecdotal evidence showing that the most affordable rural primary schools cost around US$25 per term while rural secondary schools are charging around US$60 per term.

Figure 5: Social Assistance in the Education Sector Budget Performance (2019-2022)



Source: Authors compilation from the Zimbabwe National Budget Statements 2019-2023 (2019 to 2020 Actual Expenditure), 2022 revised estimates and 2023 approved budget.

5.1.2 Tuition grants

Tuition grants targeted at rural primary (P3) and rural secondary (S3) school children supporting and examination fees subsidies are important programmes meant to enhance social inclusion and access to free basic social services.[27] The budget allocation for tuition grants averaged US$7.9 million from 2020 to 2023, peaking at US$19.2 million before declining to US$3.4 million in 2022 and US$1.1 million in 2023. However, the actual impact of the programme is negatively affected by the poor budget utilisation. For example, in 2020 there was a budget underspend of 67% yet half of the rural children had been turned away for lack of paying fees at some point while in 2021 the underspend was at 58% with spending figures for 2022 not yet released. The poor budget execution makes it difficult to plug the existing inequalities where children from rural schools lag behind in terms of literacy and net enrolment ratios.

While the tuition grant is an important intervention, which complements BEAM, the program is targeting only children from rural areas thus excluding urban learners in extreme poverty. Another challenge is that the fragmentation of BEAM and Tuition grants create overlaps and thus reduce the efficiency of the two programmes.[28]

5.1.3 Public Examination Subsidy

The public examination subsidy in support of the administration of Grade 7, Ordinary and Advanced Level examination has an average budget allocation of US$7.7 million between 2021 and 2023. On a positive note, the examination subsidy budget is the best performer under the education sector social assistance budget with budget overspent of 160% in 2021. However, the resources are still below the required levels, for example in 2021, 30 000 students failed to register for ZIMSEC exams due to financial constraints.[29]

27. Ministry of Primary and Secondary Education (2019). Education Amendment Act (2019)
28. UNICEF (2022). 2021 Primary and Secondary Education Budget Brief.
29. ZIMCODD (2021). 07 December 2021 Weekly Review.

5.1.4 Home Grown School Feeding Programme

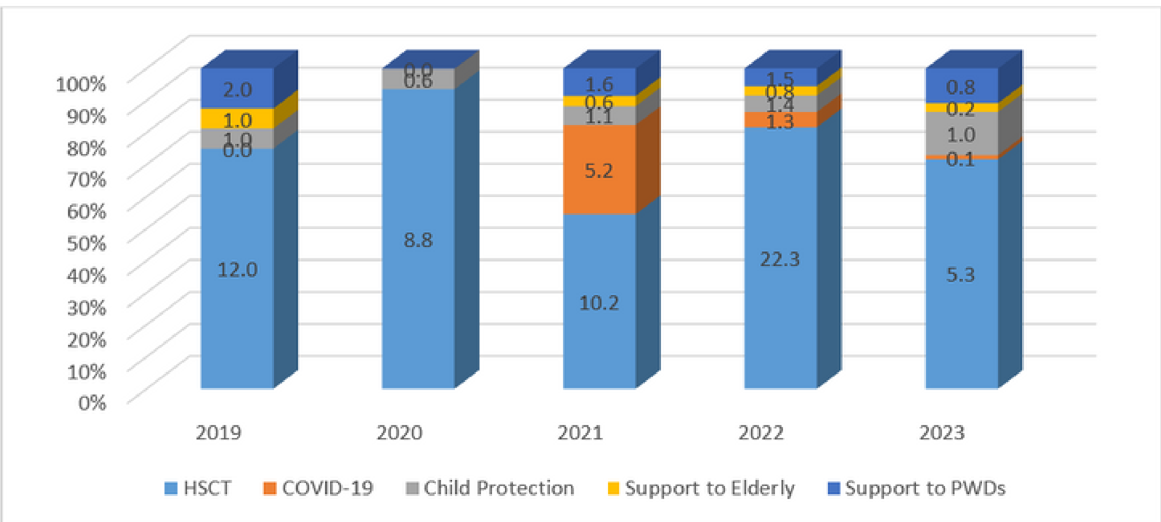
The Home-Grown School Feeding Programme is a programme that provides a wholesome education for all Zimbabweans and aims to ensure that school children receive nutritious meals while at school.[30] Some of the benefits for the programme include that children enjoy healthy, diversified food; this makes it more likely that they will stay in school, perform better and improve their adult job prospects.[31]

While the programme has the second largest budget allocation of the education social assistance budget at an average of US9.8 million, the programme suffers from very weak budget execution. For example, actual spending in 2020 and 2021 was only 10% of the approved budget which is very poor even after factoring the disruptions caused by COVID-19. As of 30 September 2022, the school feeding programme had utilised only 21% of the revised budget which is disturbing given that 1.6 million children live in extreme poverty. The weak budget performance of the programme will have a negative impact on learning for the children in poverty.

5.2 Cash Transfers

The Harmonised Social Cash Transfers (HSCT) is the main government led cash transfers. Other cash-based transfers include the COVID-19 transfers, child protection (children in difficulty circumstances and children in the streets), support to elder persons and support to persons with disabilities. Cash based transfers have been shown to have several benefits including being cost effective and equitable and empowering to beneficiaries including women due to their flexibility of use.[32] Despite these benefits all cash-based transfers averaged US$15.8 million (18.9% of the total social protection budget) with HSCT dominant while other programmes have negligible allocations as shown below. Disappointingly, overall coverage is less than 2% of the people in extreme poverty.

Figure 6: Cash Based Social Assistance Programmes (2019-2023)



Source: Authors compilation from the Zimbabwe National Budget Statements 2019-2023 (2019 to 2020 Actual Expenditure), 2022 revised estimates and 2023 approved budget.

30. http://mopse.co.zw/covid/school-feeding-programme
31. https://www.wfp.org/home-grown-school-meals
32. https://concern-us.netlify.app/news/cash-transfers-explained/

5.2.1Harmonised Cash Transfers

The HSCT programme is an unconditional social cash transfer targeting food-poor and labour-constrained households with the aim of cushioning the vulnerable people of society against economic shocks. The HSCT targeting involves three steps: geographical targeting of the poorest districts, a simplified Proxy Means Test (PMT), and community-based verification. Households are classified as poor and labour-constrained based on their PMT score. As highlighted earlier, the HSCT and other programmes are not reaching the extreme poor due to poor targeting.

Although, the HSCT budget allocation averaged US$11.7 million per year, the budget allocation is inadequate to cover all households in need with the programme targeting on average, 250 000 people during the period 2019 to 2023 against at least 6 million extremely poor people in any given year.

People who actually benefitted averaged 52 000 during the period 2019 to 2021 according to available Annual Budget Review Statements mainly due to the frequent low budget utilisation for the programme. The programme had an underspend of 67% in 2020 and 39.9% in 2021 while as of 30 September 2022, actual cash transfers expenditure was a lowly 19%. As a result of the low budget execution the impact of the programme is insignificant.

Another challenge is that the benefits have been slow to respond to the high inflation and currency depreciation with benefits way below the Food Poverty Line (FPL) and the Total Consumption Poverty Line (TCPL). For example, while the cash payment increased from ZWL$300 (US$5.84) to ZWL$600 (US$11.70) in December 2020 this was way below the FPL for one person at ZWL$3 494 and the TCPL at ZWL$4 670 in December 2020.[33]

In a positive development to address the currency and inflation challenges, government now pegs the benefits to the prevailing interbank exchange rate from June 2022. However, the benefits will only be felt if payments are made on time and also if the premium between the official exchange rate and the parallel exchange rate which is widely used for benchmarking prices of goods and services is minimised. Other positive developments for the HSCT include the move from cash in transit payment modality in 2022 to electronic payment modality (mobile money transfers) which has the potential to increase efficiency and reduce corruption.

5.2.2 COVID-19 Transfers

In addition to HSCT, the Government introduced COVID-19 Economic Recovery and Stimulus package. The relief measures which included cash transfers, youth fund, food aid were meant to cushion vulnerable households affected by the COVID-19 induced lockdowns. However, social protection failed to respond to the COVID-19 pandemic with COVID-19 emergency cash support coverage ranging between 1% and 4% of the population at the height of the pandemic between July 2020 and October 2021(World Bank, 2022).

33. https://www.zimstat.co.zw/wp-content/uploads/2021/01/Poverty-Leaf-Logo-December-2020.pdf

The programme had little impact in cushioning citizens due to a number of factors highlighted in the Auditor's General Special Report on COVID-19 and the Public[34] Accounts Committee Report on the same.[35] For example, the MoPSLSW paid COVID-19 allowances amounting to US$1.7 million (ZWL$89 million) vulnerable communities' country wide but the Auditor General could not confirm if the allowances reached all intended beneficiaries (OAG, 2021).

The OAG report also noted that COVID19 allowances processed through the Net One platform in July 2020 for 873 beneficiaries at $300 each had not been collected from Buhera and Umzingwane District Social Welfare offices while there were cases of duplicate payment of beneficiaries yet so many deserving people remained uncovered.

The multiple beneficiary selection process particularly the proposal from the Minister of Finance and Economic Development to use a "sophisticated algorithm" in addition to the usual MoPSLW means testing brought confusion to the process.[36] As a result of these issues, the PAC concluded that the distribution mechanism of the COVID 19 allowances was in shambles leaving the process open to abuse and thus not reaching intended beneficiaries.

5.2.3 Child Protection

Child protection which is a combination of two programmes, the children in difficulty circumstances and children in the streets has a measly yearly average budget allocation of US$1 million during the 2019 to 2023 period. The programme targeted an average of 40 000 children and 102 residential child care facilities monitored which is too low considering the high children poverty. The benefits which at best would be equivalent to US$25 per year per child is too little to make an impact on children's lives.

Further there have been cases of diversion of funds meant for children in the streets to the parent ministry's activities as highlighted in the 2020 Auditor General Report[37] which showed that 59% of the total expenditure were spent in financing Appropriation activities. The diversion of Fund resources makes it difficult for the Fund to fulfil its objectives of protecting and rehabilitating children in the streets.

5.2.4 Support to the Elderly

Support to the elderly is insignificant at an average of US$500 000 per year targeting an average of 1300 beneficiaries during the period 2019 to 2023. The programme had 70% underspend in 2021 while budget outturn to September 2022 was at 45% further worsening the plight of elderly. This comes at a time when most have lost their savings and pensions as a result of the hyperinflation and currency losses. The low budget allocation for both children and the elderly social protection programmes is against the proposed life cycle approach in the NSPPF. The life cycle approach requires that social protection programmes address the different risks and vulnerabilities at different stages of the life.

34. Office of the Auditor General (2021): Special Audit Report of the Auditor-General on the Covid19 Pandemic Financial Management and Utilisation of Public Resources in the Country's Provinces.
35. Parliament of Zimbabwe (2022). Report of the Public Accounts Committee on the Covid 19 Pandemic Financial Management and utilisation of Public Resources in the Country's Provinces by MDAs.
36. Chipenda and Tom (2021). Zimbabwe Social Policy Response.
37. Office of the Auditor General (2021). Report of the Auditor-General for the Financial Year Ended December

5.2.5 Support to People with Disabilities

The support to PWDs averaged US$1.1 million during the period with targeted beneficiaries averaging 5 000 yet the 2022 Census put the population of people with disabilities at almost 1.4 million. Considering that anecdotal evidence suggest that PWDs are among the most vulnerable groups, the people with disabilities in need of coverage would be at least 588 000 using the current extreme poverty levels of 43%. Available data also shows that while support to PWDs programme overspend by 75% in 2020, the following year it had an underspend of 19% while budget outturn to September 2022 was at 56.1%.

There have also been reported cases of corruption in the media such as the case where a student on attachment employed by the Department of Social Development in Chipinge was convicted for defrauding the department a total of ZWL$91 425 meant for disbursement of 53 disadvantage people.

The low funding levels and leakages are disappointing given the fact that disability and poverty are deeply intertwined, with people with disabilities facing higher rates of poverty, discrimination, and poor health outcomes.[38] Thus, there is need to prioritise PWDs in all social protection programmes and ensure no one is left behind as envisaged by the SDGs.

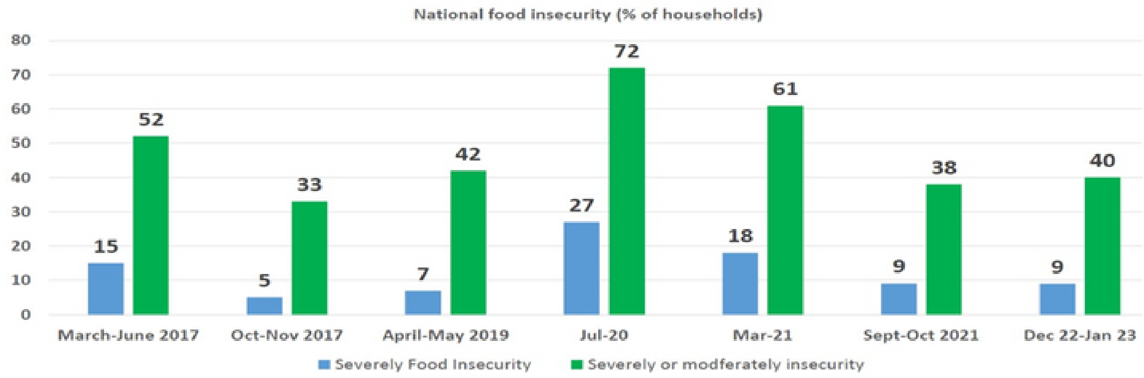
5.3 Assisted Medical Treatment Orders (AMTO)

Health assistance through AMTO has been one of the least prioritised social assistance programmes with an average annual budget of US$1.3 million while averaging only 1% of the total social assistance budget from 2019 to 2023. Not only has the health budget been lowly prioritised but the budget has also performed poorly with actual expenditure underperforming by 81% in 2020 and by 35% in 2021 while as of September 2022, 47% had been utilised against an overall budget utilisation of 64%. This is more concerning given that the underfunding happened during the period of a health pandemic in the form of COVID-19.

Research by the Poverty Reduction Forum Trust (2021) highlighted some challenges that Persons with Disabilities (PWDs) faced in accessing AMTO with a lack of effective coordination between the Ministries of Public Service, Labour and Social Welfare, and the Ministry of Health and Child Care cited as some of the reasons for delays in AMTO disbursements.[39] Other challenges include that AMTO is only available in public health institutions yet some services are not available in public health institutions as a result of years of underfunding of the health sector.

38. United Nations (2018). Disability and Development Report: Realizing the Sustainable Development Goals by, for and with persons with disabilities.
39. https://www.prftzim.org/download/access-to-health-services-by-pwds-research-report/

Figure 7: Food Insecurity 2017-2023



Source: ZIMSTAT (2023). Results from the Ninth Round of Rapid PICES Phone Survey Data

5.5 Productive Social Protection Programmes

5.5.1 Supporting Livelihoods

Supporting livelihoods programme is a social protection programme meant to assist the indigent who are not labour constrained for them to become self-reliant. Supporting livelihoods programme has an average annual budget allocation of US$3.9 million. However, the budget allocation has been declining from a peak of US$10 million in 2019 to US$6.8 million in 2020 and around US$1 million or less since 2021. The programme had an underspend of 88.9% in 2020 and 30% in 2021 while in 2022 the programme had utilised less than half (41%) of the budget by September 2022.

While the programme has the potential to transform the livelihoods of the people and ensure that they participate and contribute to the socioeconomic development of the country, coverage is still very low due to the inadequate budget and low budget execution with actual beneficiaries in 2021 at 4 200 according to the 2023 Budget Estimates against more than 6 million people in poverty. The programme is being implemented in only 5 provinces hence will need more resources so that it is scaled up to other provinces.

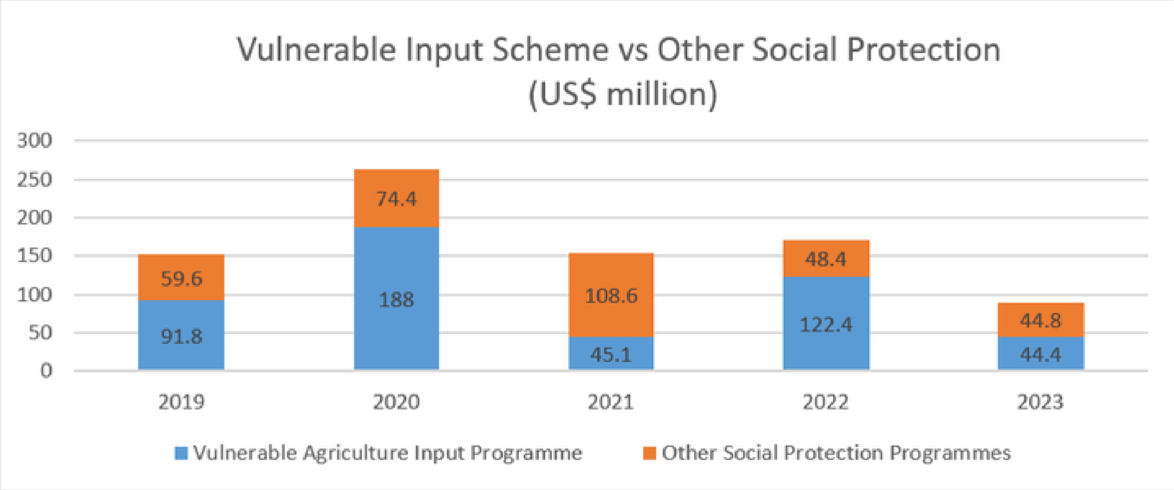
5.5.2 Agriculture Productive Social Protection Scheme

Beyond the traditional social protection programmes, the government also implements productive social protection mainly through the Vulnerable Input Scheme. The program provides subsidised inputs such as seed, fertiliser, and chemicals to farmers to improve their yields and productivity. As part of plans to improve agriculture productivity and mitigate the impact of climate change, the government introduced Pfumvudza/Intwasa, a concept of conservation agriculture that is designed to meet food security for an average household of six members over one year.[40]

The Vulnerable Input Scheme is the most prioritised social protection programmes with an annual average budget allocation of US$98.3 million more than the US$82.9 million for the other social protection programmes combined.

40. https://www.fao.org/africa/news/detail-news/en/c/1310531/

Figure 8: Comparison of Vulnerable Input Scheme with Other Schemes



Source: Authors compilation from the Zimbabwe National Budget Statements 2019-2023 (2019 to 2020 Actual Expenditure), 2022 revised estimates and 2023 approved budget.

Actual spending exceeds budget allocations in most of the years with an overspend of 510% in 2021 while as of September 2022 the programme had already exceeded the budget by 97%. While it is too early to know the actual impact of Pfumvudza, preliminary research shows that the programme increased resilience against climate change induced drought impacts and improved yields in rural communities of Zimbabwe where it was implemented.[41] However, another research by Pindiriri et al. (2022) found that although free input support schemes for the vulnerable farmers are rightly targeted, their design is not sufficient to move vulnerable farmers out of poverty and food insecurity.[42] Additionally, the research recommended that the programme should determine the optimal input mix while considering gender, regional distribution, regional ecological and soil characteristics and other supporting services.

5.6 Gender Sensitivity of Social Protection Programmes

Evidence suggest that non-contributory social protection programmes can positively affect women's income and savings, girls' education, and maternal and child health.[43] According to the 2023 Gender Budget Statement social protection expenditure is one of the budgetary measures that address gender inequalities.[44]

5.6 Gender Specific Expenditures

There are two gender specific social protection programmes which target women and namely the sanitary wear and maternal user fees programme while the rest of the programmes are classified as Gender Responsive Budgets.

Sanitary Wear

While the sanitary wear programme is a progressive programme meant to maintain the dignity of the girl child and ensure the girl child stays in school at all times, the programme has a small budget allocation averaging US$3.4 million between 2020 and 2023 as shown in Figure 5. The programme also performs poorly with the budget underspend at 61% in 2020 and 85% in 2021 while only 21% had been utilised as of September in 2022.

41.https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9795436/#:~:text=Pfumvudza%20is%20a%20Zimbabwean%20vernacular,of%20a%20new%20farming%20season
42. Pindiri C, Chirongwe G, Nyajena F, Nkomo G (2021). Agricultural free input support schemes, input usage, food insecurity and poverty in rural Zimbabwe
43. UNICEF (2020) Social Protection and its Effects on Gender Equality. Available
44. Ministry of Finance (2022). Gender Budget Statement

This is concerning given the fact that about 60% of rural girls and women encounter period poverty thus they lack access to menstrual supplies and education and lastly it is believed that girls who experience period poverty miss 20% of their school life.[45] Additionally, the programme excludes vulnerable urban learners.

Other challenges with the programme include distribution and logistical challenges and poor quality of sanitary pads in some instances.[46]

Maternal Health Care Fees

Research has shown that the removal of maternity user fees had a positive impact on reducing the maternal mortality in Zimbabwe which is now at 363 per 100 000 live births from 462 per 100 000 live births in 2019.[47] However, it is difficult to establish the budget allocation for the whole period as there are gaps in terms of the budget allocation, utilisation and beneficiaries reached.

The available information shows that maternal health care fees programme has an allocation of US$4.3 million in 2023 up from the revised budget of U$3.2 million in 2022. In terms of utilisation, the maternal budget had an actual budget expenditure of US$4.1 million in 2019, US$17.5 million in 2020, while expenditure as of September 2022 was at US$2.1 million (70% of the budget). Although the increase in budget allocation is welcome, the fluctuations in budget utilisation are worrying considering that maternal mortality is still well below the SDG target of at most 70 deaths per 100 000 live births by 2030.

5.6.2 Gender Sensitive Social Protection

Gender Sensitive social protection programmes are those with 60-95% of the expenditures benefiting women and girls. However, the assessment of these programmes is compromised by the lack of disaggregated data (sex, age, disability etc.) for most of the programmes in spite of the progressive Gender Budget Statement. Nonetheless one conclusion to be made from the low social protection budget allocation and poor budget utilisation is that this reduces the gender equalisation role of social protection programmes.

Education Assistance

Zimbabwe does well on the 2023 Global Gender Gap regarding gender parity and is ranked 1st out of 146 in terms of literacy rate, enrolment in primary education and enrolment in tertiary education. However, there are gender disparities with female students at a disadvantage for enrolment in secondary education giving Zimbabwe ranking of 115th.

The education funding assistance programme including BEAM shows that the program has deliberately prioritised female students who were historically disadvantaged. According to the MoPSE Education Statistics Reports for 2019 up to 2021, the fees payment is skewed in favour of females for all levels. For example, in 2021, at secondary level the ratio of students supported is 53% to 47% in favour of female students.

45. ZIMCODD (2022). 2022 April Policy Digest.
46. https://parlzim.gov.zw/download/national-assembly-hansard-1-november-2022-vol-48-no-88/
47. https://doi.org/10.21203/rs.3.rs-1884764/v1

Economic Opportunity

However, the country performs poorly in terms of economic participation and opportunity with a labour force participation gender parity ranking of 72 and score of 0.838 according to the 2023 Global Gender Gap report. Research shows that omen farmers are at a disadvantage in government programmes in particular, the presidential input support scheme for the vulnerable households (Pindiriri et al, 2022). Other social protection programmes that can empower women include the Sustainable Livelihoods programme if better targeted and adequately funded.

6. Lessons and Gaps from SADC

This policy briefs draws critical lessons and gaps from Zimbabwe's social spending relative to other SADC countries such as South Africa, Namibia, Botswana and Zambia.

6.1 South Africa

South Africa has developed a social security system based on the constitutional rights, composed of three pillars: non-contributory schemes, mandatory social insurance, and voluntary insurance.[48] Lessons for Zimbabwe from the South African system include **the high prioritisation of social assistance programmes**. South Africa's social assistance expenditure is relatively high compared to other upper middle-income countries, accounting for 3.3% of GDP and 15.4% of total government spending.[49] In comparison Zimbabwe's social protection budget averages 0.5% of GDP and 2.5% of total government spending.

Poverty and Inequality Impact

The South African system performs well in terms of addressing both poverty and inequality. Based on static simulations using data from the LCS 2014/15, social grants are estimated to reduce the poverty rate by between 10.1 percentage points and 38.5 percentage points, depending on the choice of official poverty line (World Bank, 2021b). Similarly, the post-transfer Gini coefficient (i.e. income including social grants) is 6.7 percent lower than the pre-transfer Gini coefficient (i.e. income excluding social grants).

Effective Targeting:

According to the World Bank social assistance review for South Africa, the strong effects of social protection on poverty and inequality are the benefits of a social assistance system that is well targeted at those who most need support. An OECD report commended the country's extensive and well-functioning means-tested cash-transfer system.[50]

Continuous Evaluation and Improvement: South Africa has recognized the importance of continuous evaluation and improvement of its social assistance programs. Assessments and reports are conducted regularly to strengthen policies and programs for the poor, ensuring that the system remains effective and well-targeted (World Bank, 2021b).

48. https://socialprotection.org/discover/publications/social-protection-floor-south-africa
49. World Bank (2021b). South Africa Social Assistance Programs and System Review.
50. https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO%2FWKP%282020%2928&docLanguage=En

The South African experience demonstrate that effective targeting and continuous evaluation of its social protection programs bring benefits to the vulnerable groups. By adopting similar approaches within its capacities, Zimbabwe can improve its own systems.

6.2 Namibia

Namibia's social protection system is one of the most developed, and entirely government funded in Africa.[51] Namibia's spending in non-contributory social protection is relatively high and above international targets. As a share of GDP, the 2022/23 nominal allocation is 3.3% of GDP, double the 1.5% average spending for Sub-Saharan Africa. In absolute terms, spending in non-contributory social protection has grown from 7.3% of total budget in 2016/17 to an estimated peak of 9.3% in 2021/22 (UNICEF Namibia, 2023). Other areas that Zimbabwe can learn from Namibia include the high budget execution rate for major social protection programmes which are within the +/-5% threshold.

Additionally, Namibia's social protection contributes to a substantial reduction in poverty and inequality. According to benefit incidence analysis by the World Bank, social protection programmes reduce poverty headcount by 7.7 percentage points compared to 1.7 percentage points for Zimbabwe.[52] In the absence of social protection, the poverty rate would increase from 17.4% to 25.1%, and the Gini coefficient would increase from 57.4 to 61.4.

Another important lesson is long term social protection planning with Namibia having a 10-year social protection policy.[53] Zimbabwe can develop a long-term vision for its social protection programmes aligned to the Vision 2030, Development Plans and SDGs. Long-term thinking will allow the country to deliver coherent, consistent, effective, and efficient social programmes that support Zimbabwe's development goals of eradicating poverty, reducing inequality, and upholding the dignity of all people.

6.3 Botswana

According to the 2022 World Social Protection Report, Botswana is one of the few countries including Lesotho, Namibia and Tanzania that have established universal non-contributory, tax-financed pension schemes.[54] Such a scheme if established in Zimbabwe could help the elderly, particularly those that have had savings wiped out by hyperinflation.
Furthermore, Botswana is also considering universal child benefits which have proven that they help to achieve greater poverty reduction than narrow means-tested benefits (ILO, 2022).

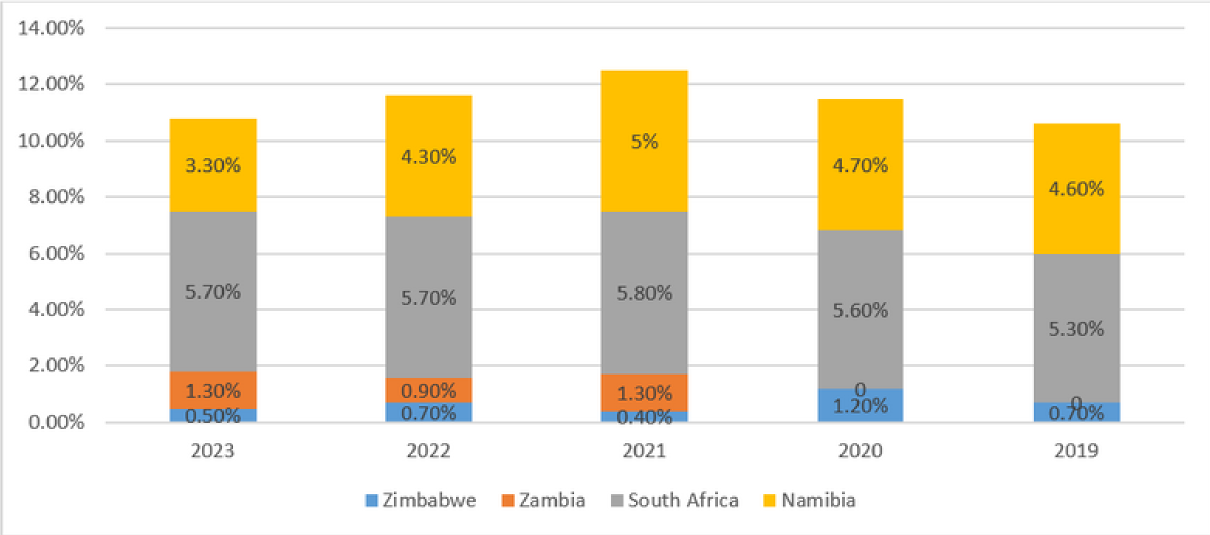
6.4 Zambia

Zambia provides lessons for inclusion of informal workers and increasing tax revenue. In response to the high level of informality in Zambia the country is piloting the SPIREWORK-ILO Zambia sub-project which aims to provide social protection for informal and rural economy workers. Additionally, the Zambian government has taken steps to allow voluntary participation of informal sector workers in the National Pension Scheme.[55]

51. UNICEF Namibia (2023). Social Protection Budget Brief
52. World Bank (2021c), Social Protection in Namibia: Spending and Performance Analysis,
53. https://www.civic264.org.na/images/pdf/2022/4/Social_Protection_Policy_2022_Final.pdf
54. International Labour Organisation (2022). World Social Protection Report 2020-2022.
55. https://www.fao.org/forestry/48484-0169b8589f41ecfb18cf7ac2e040cfe3b.pdf

As Zimbabwe faces similar challenges of high informality, it is worth adapting similar programmes within the country's context.

Figure 9: Comparison of Social Protection Share to GDP among selected SADC countries between 2019 and 2023



Source: UNICEF Country Social Protection Briefs and Authors own computations

Innovative Financing Mechanisms: The ILO (2019) identified increasing tax revenue as a key means of generating government revenue by taxing corporate profits, financial activities, property, imports or exports and natural resources or strengthening the efficiency of tax collection methods and overall compliance.[56] Zambia is financing universal pensions, child benefits and other schemes from mining and gas taxes (ILO, 2021).[57]

7. Conclusion and Recommendations

In conclusion, social protection programs in Zimbabwe have the potential to greatly improve the lives of vulnerable groups in the country. However, there are many challenges to expanding and improving social protection in Zimbabwe. The economic crisis and hyperinflation in the country have severely constrained government budgets and spending while at the same time increasing poverty and inequalities. To make progress, the government and development partners should focus on the following priorities:

Legal, Policy and Institutional Framework

- The Ministry of Public Service Labour and Social Welfare (MoPSLSW) must come up with an updated National Social Protection Policy Framework (NSPPF) of 2016 that is responsive to the current context including the increased poverty, inequalities and climate shocks while informed by the Vision 2030 and NDS1.

- The Framework must be informed by participatory evaluation to ensure that it, prioritise the poor and vulnerable, is climate and shock responsive while promoting gender and social inclusion in the true spirit of human rights-based framework which leaves no one behind.

56. ILO 2019. FISCAL SPACE FOR SOCIAL PROTECTION: A Handbook for Assessing Financing Options.
57. https://www.ilo.org/africa/information-resources/publications/WCMS_828423/lang--en/index.htm

- Additionally, the NSPPF must update the social spending framework to ensure its adequately funded and transition towards universal social protection coverage. The social spending framework must be shock responsive as evidence from the COVID-19 pandemic showed that the current system is not well-equipped to respond to shocks.
- Strengthen Monitoring and Evaluation: The MoPSLSW must undertake regular monitoring and evaluation of all the social protection programmes to improve the effectiveness of these programmes to ensure evidence-based policy
- Improve Coordination and Institutional Capacity: The MoPSLSW must enhance coordination among relevant MDAs, civil society organizations, and development partners to ensure effective implementation of social protection programmes and deal with any problems related to fragmentation of programmes.
- Targeting Mechanisms: The MoPSLSW with other relevant stakeholders must strengthen the existing targeting systems (proxy means testing, community-based targeting, and geographic targeting etc.) to ensure a transparent system which reaches the most in need as is the case in Botswana and South Africa. The completion of the Management Information System must be prioritised to allow for information sharing among stakeholders and help eliminate duplication of beneficiaries.
- The MoPSLSW should coordinate the integration of social protection, nutrition, healthcare, education, and livelihood programs for maximum impact. Coordinated multi-sectoral interventions can help households sustainably escape poverty.

Adequacy and Responsiveness of Social Protection

- Increase Budget Allocation: The Ministry of Finance and Economic Development (MoFED) must increase budget allocation for social sectors including social protection in line with agreed international spending benchmarks. Increasing the budget will help increase coverage and adequacy of benefits and ensure that all vulnerable groups are reached and have access to basic services in line with the human rights frameworks. South Africa, Namibia and Botswana all provide valuable lessons in prioritising social protection in the budget.
- Improve Budget Execution: The (MoFED) must prioritise budget disbursements towards social protection. The Ministry of Finance must also strengthen the implementation capacity of other Ministries such as the Ministry of Primary and Secondary Education to improve social protection budget execution. Namibia provides important lessons on having social protection budget execution within the +/-5% acceptable threshold.
- Inflation and Currency Instability: While the indexing of cash transfers to the interbank rate is welcome, the (MoFED) must also index the benefits to inflation to preserve the real value of the benefits.

Gender Sensitive and Inclusive Social Protection:

- All MDAs implementing social protection programmes must consider equity considerations in all their programmes to ensure that all regions and areas are covered particularly looking at the productive social protection programmes, tuition and grant programme and the sanitary wear programme.
- The implementing MDAs must identify the specific needs and priorities of different genders and design targeted social protection interventions. The performance information must include disaggregated data including targeted beneficiaries.

- The (MoFED) must ensure the budget is gender sensitive through disaggregated budget data. This will enable tracking of progress in line with SDG Target 1.3.1.
- Considering the high informality in Zimbabwe, Government through MoPSLSW must allow voluntary participation of informal sector workers in the National Pension Scheme as is being piloted in Zambia.

Financing Options

- The (MoFED) should consider innovative financing mechanisms such as ring fencing a portion of identified tax revenues to fund social protection programmes to ensure the predictability of funding. Zambia is financing universal pensions, child benefits and other schemes from mining and gas taxes something Zimbabwe can adapt.
- Eliminating Illicit Financial Flows (IFFs): Illicit financial flows and corruption deprive the government of resources for social protection. Although it is difficult to quantify the cost of IFFs due to their illegal nature, some estimates put losses for Zimbabwe at US$32 billion in the last decades[58]. There are also allegations that Zimbabwe lost US$15 billion in the diamond sector. To address the leakages, the (MoFED) must strengthen tax systems, crackdown on corruption, and improve transparency and accountability in financial transactions.
- Implementation of Auditor General Recommendations: The Auditor General and Public Accounts Committee have highlighted recurring governance issues related to procurement, revenue and debt management leading to abuse and inefficient use of resources. Parliament of Zimbabwe (through the Public Accounts Committee) and the (MoFED) must strengthen the policy and legislation framework that enforces implementation of OAG and PACs recommendations to plug leakages
- Value for Money Audits: The Auditor General must undertake value for money audits for all social protection programmes to ensure the limited resources are yielding maximum benefits and determine the most optimal social protection mix.
- Finalisation of Debt Restructuring: Zimbabwe has moved from one debt strategy to another with the current Structured Dialogue Platform supported by the African Development Bank that started in December 2022. The MoFED must expedite the debt restructuring exercise to unlock new funding for social protection and basic services.
- Tax Incentives: Research has shown that tax incentives do not have a bearing on investment especially in the mining sector. The (MoFED) must rationalise its tax incentives to weed out harmful tax incentives and create room for funding social services. Additionally, (MoFED) must table detailed tax expenditure reports in parliament showing the cost and benefit of the incentives.
- Civil society organizations (CSOs) should mobilise resources from the private sector and other sources, and evidence based advocacy for increased public investment in social protection programs.

58. Chikono, M. (2020) Zimbabwe losses US$ 32bn due to illicit financial flows.