

WEEKEND READER

"Your Weekly Read on Debt, Development & Socio-Economic Justice"

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Financial Adjustments (No. 2) Bill, 2026: Parliament Must Demand Accountability



Background and Key Concerns

The Financial Adjustments (No. 2) Bill, 2026 seeks Parliament's approval for approximately US\$9.64 billion in unauthorised expenditure incurred between 2015 and 2018. The amount raises serious concerns about budget controls, compliance with public finance laws and the management of public funds. Government must explain how the expenditure occurred, how the money was used and why Parliament is only being asked to approve it years later.

A similar Bill was introduced in 2019, seeking approval for approximately US\$9.68 billion, but it lapsed in 2020 without being enacted. The 2026 Bill reduces the amount by about US\$40 million and places the expenditure under the Ministry of Finance instead of providing a breakdown by ministry. Treasury has not adequately explained the difference between the two figures or identified the institutions responsible for the spending. Without this information, Parliament cannot establish which ministries incurred the expenditure, which programmes received the money or who authorised the payments.

This lack of detail is a serious concern, especially as Zimbabwe continues to pursue debt resolution and arrears clearance, which require accurate financial records and stronger control over public spending.

Constitutional Compliance and Parliamentary Oversight

Section 307 of Zimbabwe's Constitution provides for the reporting and condonation of unauthorised expenditure. The delay in seeking approval for expenditure incurred between 2015 and 2018 raises questions about whether the constitutional requirements were followed. Treasury must explain when the full extent of the expenditure was established and why the matter took so long to reach Parliament.

Parliament has a duty to protect public resources and ensure that government spending follows the law. This requires more than approving figures presented by Treasury. MPs need records showing how the money was spent, which programmes benefited, who received the payments and which officials authorised the expenditure. Without this information, Parliament cannot determine whether the spending served the public interest or whether proper financial procedures were followed. For ZIMCodd, retrospective approval must not become a way of clearing financial irregularities without holding those responsible to account. Where unauthorised spending resulted from negligence, misconduct or the deliberate bypassing of financial controls, the responsible officials must face appropriate action.

Weak Public Financial Management and Poor Expenditure Controls

Zimbabwe has a long history of weaknesses in public financial management, including spending outside approved budgets, poor expenditure controls and failure to account for public funds. The 2017 Public Expenditure and Financial Accountability (PEFA) Assessment identified problems with budget execution, financial reporting, commitment controls and the accumulation of expenditure arrears. By the end of 2016, expenditure arrears had reportedly reached approximately US\$6.17 billion, showing the scale of the country's fiscal management problems.

Auditor-General reports have continued to expose financial irregularities in public institutions. These include excess expenditure, direct payments outside approved financial systems, unpaid supplier bills and failure by public entities to implement audit recommendations. The increase in unresolved audit findings between 2022 and 2024 also points to continued weaknesses in financial oversight. These findings raise questions about whether government has taken sufficient action to prevent unauthorised spending and address problems identified in previous audits. Public financial management reforms must go beyond policy statements. Government must enforce budget limits, improve expenditure reporting and ensure that accounting officers comply with financial regulations. Where audit findings remain unresolved, Parliament must demand explanations and follow up on the corrective measures taken.

Implications for Public Debt and Service Delivery

The US\$9.64 billion in unauthorised expenditure raises concerns about Zimbabwe's public debt, outstanding liabilities and fiscal position. Treasury has not provided enough information to establish how the expenditure was financed, whether through tax revenues, domestic borrowing, Reserve Bank facilities, external loans or unpaid supplier commitments. It is also unclear how much of the amount has been settled and how much remains outstanding. Without a detailed breakdown and reconciliation, it is difficult to determine the full effect of the expenditure on government debt and arrears. This information is needed to establish the country's financial obligations and support efforts to improve debt management.

Poor expenditure controls also affect the government's ability to direct resources towards public services. Money spent outside approved budgets, or expenditure that cannot be properly accounted for, makes it difficult to assess whether public funds are being used according to national priorities. Health, education, social protection, water and sanitation, and infrastructure all depend on responsible management of public resources. At a time when many Zimbabweans face economic hardship and continue to experience gaps in essential services, government must account for how it spends public money and what citizens receive in return. The public has a right to know whether expenditure delivered value for money and met its intended objectives. Treasury must also reconcile the historical expenditure with existing debt and arrears records to ensure that government liabilities are accurately recorded and reported.

Key Questions Treasury Must Answer

Before Parliament considers the Bill, Treasury must provide clear answers on the following issues:

- **Ministry-level accountability:** Which ministries and accounting officers were responsible for the expenditure, and why does the 2026 Bill not provide a breakdown by ministry?
- **Use of public funds:** Which programmes, projects and activities received the money? Who received the payments, and what evidence shows that the funds were used for their intended purposes?
- **Sources of funding and outstanding liabilities:** How was the expenditure financed, how much has been paid and how much remains outstanding as debt, supplier arrears or other government liabilities?
- **The US\$40 million difference:** What explains the reduction from approximately US\$9.68 billion in the 2019 Bill to US\$9.64 billion in the 2026 Bill? Treasury must provide figures showing how the adjustment was calculated.
- **Constitutional compliance:** When was the full extent of the unauthorised expenditure established, and why was parliamentary approval delayed for several years?
- **Value for money:** What evidence shows that the expenditure delivered the intended results? Were the payments supported by financial records and subjected to the required audits?

These questions must be answered before Parliament makes a decision. Approving the Bill without the necessary financial records would leave important questions about public spending unresolved and weaken parliamentary oversight.

ZIMCODD's Recommendations

ZIMCODD calls on Parliament and Treasury to take the following steps to strengthen public financial management and accountability:

1. Defer consideration of the Bill. Parliament should wait until Treasury provides a full reconciliation of the expenditure and explains the difference between the 2019 and 2026 proposals.
2. Publish a detailed breakdown of the expenditure. Treasury must identify the ministries, programmes and projects involved, the sources of funding, payment recipients, beneficiaries and any outstanding arrears or other liabilities.
3. Strengthen parliamentary scrutiny. The Public Accounts Committee should examine the expenditure, relevant Auditor-General reports and supporting financial records before Parliament considers condonation.
4. Improve expenditure controls. Government must ensure that spending follows approved budgets, established authorisation procedures and public financial management regulations. Budget deviations and outstanding arrears should also be reported openly.
5. Hold responsible officials to account. Accounting officers and other officials found responsible for unauthorised expenditure through negligence, misconduct or deliberate breaches of financial controls must face appropriate action.
6. Reconcile the expenditure with public debt and arrears records. Treasury must establish the full extent of outstanding obligations and ensure that government financial statements accurately reflect its liabilities.

These measures would help establish the facts surrounding the expenditure and prevent the same weaknesses from continuing in future budgets.

Conclusion

The Financial Adjustments (No. 2) Bill, 2026 raises serious concerns about budget discipline, financial accountability and the management of public resources in Zimbabwe. Parliament should not approve the US\$9.64 billion in unauthorised expenditure without a full breakdown of how the money was spent, an explanation of the US\$40 million difference and clear identification of the institutions responsible. ZIMCODD calls on Treasury to provide the necessary financial records and on Parliament to ensure that public funds are properly accounted for. Government must also strengthen expenditure controls and hold responsible officials to account. Public money must serve the interests of citizens, support essential services and contribute to national development.

Lithium at What Cost? Women, Children and the Hidden Cost of Mining in Buhera

By Phillip Jakarasi

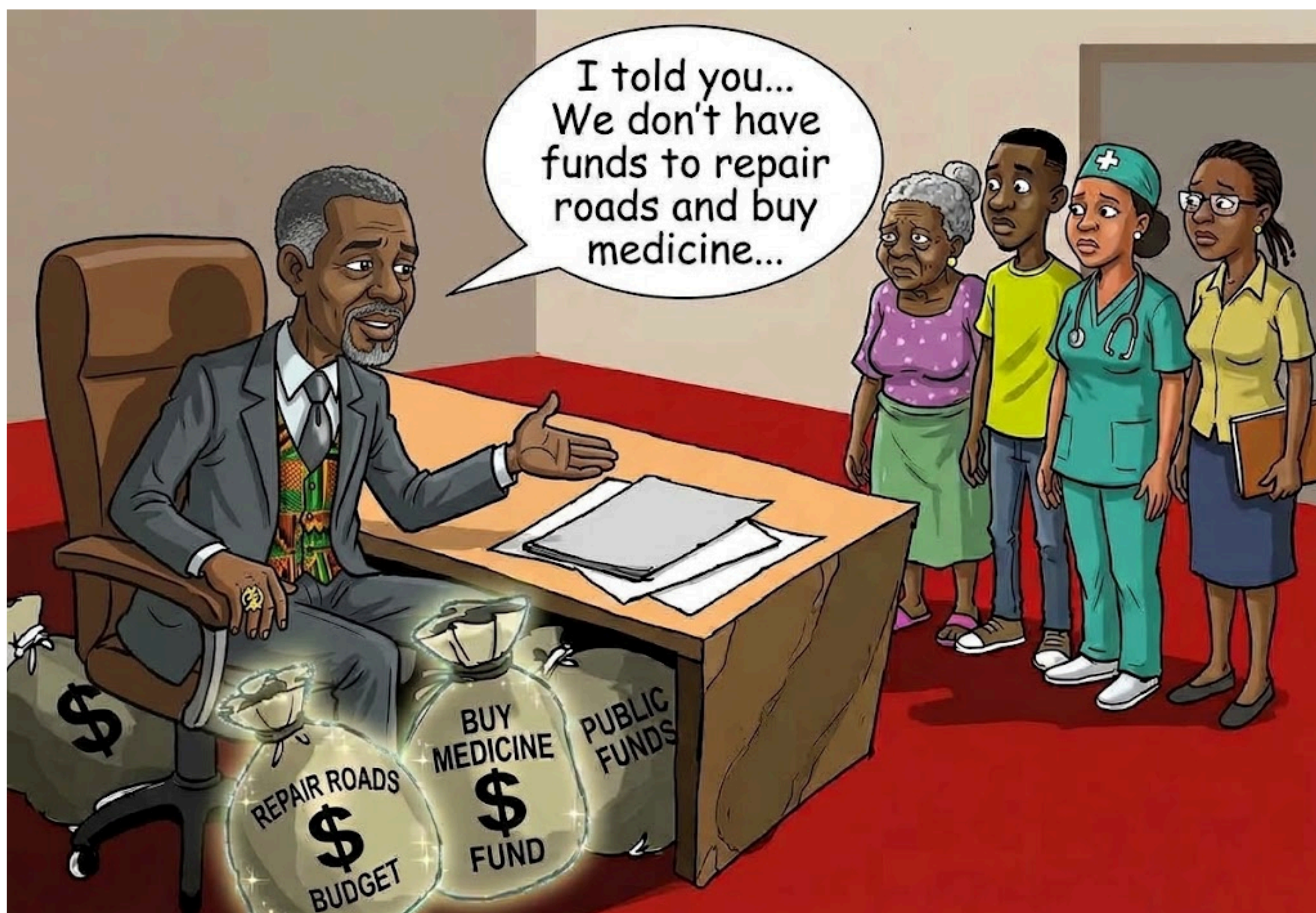


Zimbabwe's lithium boom promises investment, jobs and economic growth. However, for communities living near Sabi Star Mine in Buhera, mining has raised concerns about displacement, inadequate compensation, dust pollution and limited employment opportunities.

According to information raised by affected communities, approximately 40 families were affected by relocation, but only 22 housing units were constructed at Murambinda Growth Point. Residents have also questioned compensation, reporting that they requested approximately US\$4,000 but received about US\$1,900. For women who depend on land and farming to support their families, displacement can mean losing both their homes and livelihoods.

Children are also affected. The approximately 25-kilometre road used by mining traffic passes schools, including Nyamasanga, St John's and St Alban. Dust from heavy trucks and concerns about road safety raise questions about the conditions learners face on their way to school. Residents have also expressed concerns about dust affecting households and the surrounding environment.

Meanwhile, questions remain about employment opportunities for young people from affected communities and who is responsible for maintaining roads heavily used to transport minerals. Zimbabwe's mineral wealth should benefit the communities living closest to it. Transparent compensation, environmental monitoring, safer roads and fair employment opportunities are essential to ensuring that mining contributes to shared prosperity rather than leaving rural communities to bear its hidden costs.



OPPORTUNITIES

PHHE Facilitator – World Vision Zimbabwe

https://worldvision.wd1.myworkdayjobs.com/WorldVisionInternational/job/Gokwe-ADP-Zimbabwe/PHHE-Facilitator_JR52734-1

Personal Assistant to Representative – UNFPA Zimbabwe

<https://www.unfpa.org/jobs>

Monitoring and Evaluation (M&E) Analyst – UNFPA Zimbabwe

<https://www.unfpa.org/jobs>

Programme Analyst: Gender & GBV – UNFPA Zimbabwe

<https://www.unfpa.org/jobs>