

WEEKEND READER

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

23 OCT 2026

ZIMCodd Calls for Greater Transparency in Resource-Backed Loans



The Zimbabwe Coalition on Debt and Development (ZIMCodd) has called for greater transparency in resource-backed loans (RBLs) with a focus on public debt reporting, parliamentary oversight and the responsible use of Zimbabwe's natural resources.

The call follows a high-level breakfast dialogue on Resource-Backed Loans: The Zimbabwean Perspective convened by ZIMCodd in partnership with Friedrich-Ebert-Stiftung (FES) Zimbabwe on 20 October 2026. The meeting brought together government representatives, parliamentarians, civil society organisations, researchers and other stakeholders to discuss the risks and opportunities associated with using natural resources to secure loans. Zimbabwe faces significant financing challenges with public and publicly guaranteed debt standing at approximately US\$21.8 billion at the end of 2025. At the same time mining generated US\$8.6 billion in export earnings in 2025 accounting for 81% of total exports. This raises an important question: how can Zimbabwe use its mineral wealth to finance development without placing future revenues and resources at risk?

Closing the Gaps in Public Debt Reporting

One of the key recommendations from the dialogue was the need to disclose all resource-backed loan agreements and include them in public debt reporting frameworks. Participants noted that some obligations contracted through state-owned enterprises or special-purpose vehicles may not appear in conventional public debt statistics. This makes it difficult for Parliament and citizens to understand the full extent of the country's financial commitments. The outcome statement calls on the Treasury to introduce a dedicated section on resource-backed loans in every quarterly Public Debt Bulletin. The section should disclose loan terms, repayment schedules, resources pledged and their valuation methods. This would strengthen parliamentary oversight and allow the public to assess how the country's natural resources are being used.

Borrowing Must Support National Development

Participants emphasised that resource-backed loans should finance productive investments that generate economic returns and create jobs. Borrowing secured against minerals should support industrialisation, local mineral processing and value addition rather than projects that mainly facilitate the export of raw materials. The dialogue also called for a national framework to guide decisions on which resources may be pledged as collateral and under what conditions. This is important because minerals such as gold and lithium are finite assets whose value must be considered beyond immediate financing needs.

Domestic Resources Must Come First

The meeting called for domestic resource mobilisation through fair taxation and better collection of mineral revenues to remain Zimbabwe's main source of development financing. Resource-backed loans should be considered a last resort when other financing options are unavailable and the terms offer clear benefits to the country. Participants also called for amendments to the Public Debt Management Act and the Mines and Minerals Bill to define resource-backed loans and establish clear requirements for disclosure and parliamentary approval. Strengthening the technical capacity of parliamentarians and debt managers was identified as another priority.

A Common Regional Approach

The outcome statement calls for Zimbabwe to align its debt management systems with the Common African Position on Debt. It also urges SADC to develop a common position on resource-backed loans with minimum standards for transparency, parliamentary scrutiny, independent resource valuation and debt sustainability assessments.

Zimbabwe's natural resources can help finance development but the benefits depend on how borrowing agreements are negotiated and managed. Stronger laws and public oversight are needed to ensure that mineral wealth supports economic development without creating further debt pressures or compromising future generations.

Read the full outcome statement here: [\[link\]](#)



Paying for Potholes: The Road Fund, the Electronic Wallet and the Citizen

As ZINARA clears its legacy debt and embraces technology, citizens ask whether the money they pay will finally translate into safe, durable roads.

For fifteen years, Tendai Moyo has driven the same route from Marondera into Harare. He knows which potholes will swallow a tyre and which ones fill with water after rain and hide their depth. Each morning, he carries passengers who trust him to get them to work safely. The toll fees and licensing fees he pays are supposed to make that journey safe. His question is simple. Where does the money go?

That question sits at the centre of the Zimbabwe National Road Administration's 10th Annual General Meeting, where the authority presented a record of financial recovery alongside an admission of unfinished reform.

Recovery, Revenue and the Numbers Behind It

Board Chairman Dr George Manyaya announced that the authority had cleared its loan from the Development Bank of Southern Africa, with the final payment made on 8 September. He linked this to the wider national effort on debt restructuring and argued that it demonstrates Zimbabwe can repay what it owes. The authority also reported clean audit opinions for the 2023 and 2024 financial years. Revenue performance supports the recovery narrative. According to figures presented to Parliament's Portfolio Committee on Transport and Infrastructural Development, collections closed at ZiG12.5 billion in 2025, which is equivalent to US\$469.3 million. Finance Director Mr Adam Zvandasara traced historical growth in United States dollars, noting an increase from about US\$222 million in 2021 to US\$469 million by the end of 2025, an increase of 111 %.

A total of ZiG9.1 billion, representing 73 % of revenue, went to road authorities and high impact projects. Of this amount, ZiG1.173 billion went directly to road authorities, ZiG68.95 million was allocated in fuel to capacitate local authorities for in-house works, ZiG5.6 billion went to high impact projects managed through Treasury and the Department of Roads and ZiG648.03 million serviced the DBSA loan. However, collection costs absorbed about 21 %. When combined with the administrative costs nearly 30 % of the fund is consumed before it ever reaches the road.

The 2.5 % Problem

The most uncomfortable finding concerns administration costs. Section 15(d) of the Roads Act [Chapter 13:18] caps expenditure on salaries, allowances and other running costs at 2.5 % of Road Fund revenue in any financial year. Mr Zvandasara confirmed the ratio now stands at 5.4 %, down from a high of 14 % but still more than double the legal limit. The Auditor-General qualified the authority's legal and compliance report for 2025, which means the authority did not meet all of its legal obligations, and the authority warned of repeated qualification unless the breach is resolved. This is a fiscal justice issue and not an accounting technicality. The authority was designed as a fund administrator rather than a revenue collector. When tolling and licensing moved in-house, the finance, information technology and risk functions moved with them, hence the breach. Yet every %age point above the cap is money that does not reach the road. It is the difference between a pothole repaired and a crash averted.

The Honest Admission

Chief Executive Officer Mr Nkosinathi Ncube was direct about the structural gap when he stated that what is collected is not sufficient for the magnitude of the roads that need to be maintained. That admission matters because it reframes the debate. Revenue growth is real, yet the funding gap remains wide. The consequences are documented. According to the United Nations, Zimbabwe recorded 52,288 road crashes in 2024, with 2,015 deaths and 10,074 injuries, which is roughly five lives lost every day. The fatality rate is about 53 % higher than the African regional average, and crashes cost the country roughly 3% of GDP each year. The Road Safety Performance Review found 30 % of the 29,100-kilometre network in poor to very poor condition and 40 % in fair condition, with basic pothole repairs and edge levelling not being carried out.

Technology, Transparency and the Road Ahead

The authority's 2026 to 2030 Strategic Plan shifts the emphasis from collecting money to demonstrating how it is used. Extra express lanes for the electronic tag are already in place and an electronic wallet linked to the tag is planned so that a vehicle can pass a toll gate and pay automatically, later connecting to other payment platforms through Zimswitch. Weighbridges will be installed at toll gates and exit points to stop overloaded trucks from destroying newly repaired roads. The most consequential commitment for accountability is the online disbursement portal. Once operational, any citizen will be able to see how much has been paid to their local road authority. The authority has also committed to publishing road asset and road condition survey data and to opening road fund spending to public scrutiny. The strategic plan sets an ambition of growing the Road Fund toward US\$1 billion by 2030, with 70 % applied to maintenance. These are meaningful reforms, yet they rest on an unresolved tension. ZINARA is investing heavily in high-tech tolling and electronic wallets, yet it cannot comply with a basic legal spending cap. Citizens are therefore right to ask whether technology is being used to modernise collection, or to distract from a lack of compliance. A fund that breaches its own legal limit while asking citizens to trust an electronic wallet must first demonstrate that it can follow the law it was created to serve.

Recommendations

To the Ministry of Transport and Infrastructural Development and ZINARA:

1. Bring running costs within the 2.5 % legal limit and publish a quarterly report until the Auditor-General's qualification is lifted.
2. Launch the online disbursement portal on schedule and publish road condition and disbursement data in an open and accessible format.
3. Publish a detailed breakdown of the 21 % collection costs so that the gap between what motorists pay and what actually reaches the road is fully transparent.

To Parliament:

1. Demand a time-bound plan to resolve the audit qualification before the next audit cycle.
2. Summon ZINARA to explain how the 21 % collection cost is justified and whether it represents value for money for motorists.
3. Use the new disbursement data to scrutinise whether allocations to local road authorities translate into completed works.

To Civil Society:

1. Use the disbursement portal to track allocations to local authorities and compare them against road conditions in communities.
2. Demand that compliance with the 2.5 % legal limit is treated as a strict condition for any future toll increases or additional funding allocations.



OPPORTUNITIES

Consular and Protocol Officer – Embassy of France in Zimbabwe

candidatures.harare-amba@diplomatie.gouv.fr

(Deadline: 4 November 2026)

ECD Programme Learning and Evidence Synthesis – Africa – Education Sub Saharan Africa (ESSA)

<https://essa1.bamboohr.com/careers/41>

Assistant Internal Auditor – Municipality of Gwanda

townclerk@mogda.co.zw

(Deadline: 27 October 2026)

IN PICTURES

