



**ZIDA**  
ZIMBABWE  
INVESTMENT &  
DEVELOPMENT  
AGENCY

Unearthing **Potential!**

# ANNUAL REPORT 2023

**SUSTAINABLE  
GROWTH**

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# Chairman's Statement



*ZIDA prioritised collaboration with various stakeholders*

*This past year has been characterised by sustained growth for ZIDA, as we played a pivotal role in mobilising foreign direct investment (FDI) and facilitating large-scale projects for the nation's economic advancement*



Mr. Busisa Moyo  
**Chairman**

It is with great honour that I present the Zimbabwe Investment and Development Agency's (ZIDA) 2023 Annual Report. This past year has been characterised by sustained growth for ZIDA, as we played a pivotal role in mobilising foreign direct investment (FDI) and facilitating large-scale projects for the nation's economic advancement. Our achievements in 2023 were made possible through collective effort and

unwavering support from the Government. Innovation, diligence, and teamwork were the cornerstones of our success. We acknowledge that economic recovery is intricately linked to private sector development, mainly through infrastructure rehabilitation, industrial retooling, and creating a more conducive business environment.

The Board remained steadfast in providing input and guidance to ensure the continued momentum of the Government's drive towards improving Ease of Doing Business processes, spearheaded by ZIDA. We actively supported ZIDA's initiatives to streamline business processes for investors, including successfully implementing a new Customer Relationship Management (CRM) system, significantly reducing license processing time. The launch of our innovative online Matchmaking Platform also marks a pivotal step forward in connecting project promoters with potential investors globally.

Furthermore, ZIDA prioritised collaboration with various stakeholders, including government agencies, industry associations, and international organisations. These partnerships simplify the investment process and attract foreign and domestic investors to Zimbabwe.

In 2023, global foreign direct investment (FDI) surpassed earlier predictions, growing by 3% to reach approximately \$1.37 trillion, as per UNCTAD's Global Investment Trends Monitor. However, the increase was primarily driven by select European intermediary economies facilitating FDI flows to other nations. Developing countries experienced a contrasting trend with a 9% decline in FDI, totalling \$841 billion, notably in Asian countries, including a 6% decrease in China's FDI inflows but an 8% rise in new greenfield projects. India also saw a substantial 47% decline in FDI yet remained a top destination for greenfield projects globally. Meanwhile, FDI in Africa dipped slightly, while Latin America and the Caribbean saw stability, boosted by growth in Central America and a significant 21% increase in Mexico.

Despite these fluctuations, the number of international investment projects in sectors aligned with the Sustainable Development Goals (SDGs) remained steady throughout the year in developing countries. Furthermore, Zimbabwe remains a compelling investment destination. With a skilled workforce, abundant natural resources, and diverse investment opportunities in agriculture, mining, energy, and tourism sectors, Zimbabwe offers a challenging yet rewarding investment climate.

As a Board, we are committed to ensuring transparency and compliance within the Agency. Our financial audits have been cleared and certified, reflecting our dedication to upholding corporate governance standards and fostering trust among investors.

We are grateful for the continued support from the World Bank Group through the International Finance Corporation (IFC) – Zimbabwe Investment Promotion Programme, which provides invaluable technical advice and investment policy support.

I thank the Office of the President and Cabinet, Government Ministries, Departments, Agencies, fellow Board members, and the Management and Staff of ZIDA for their unwavering commitment and contributions towards our shared goals. Despite the challenges faced, 2023 has been a year of significant progress, and I look forward to our continued success in the years to come.

# Chief Executive Officer's Statement



*ZIDA, achieved significant progress in attracting international investment*

*Our achievements for 2023 would not have been possible without the dedication and hard work of our talented team, Advisory Board, the Office of the President and Cabinet as well as the support of our stakeholders*



**Mr. Tafadzwa Chinamo**  
**Chief Executive Officer**

It is with great pleasure that I present to you the Zimbabwe Investment and Development Agency (ZIDA) Annual Report for 2023, my second as Chief Executive Officer for the Agency. This report records the journey and main achievements of the Agency during the period from January to December 2023. We witnessed strong organisational performance with record-breaking achievements in the facilitation, advocacy, promotional, developmental and operational support aspects of the Agency. This success underscores the importance of dedication and innovation in a constantly changing environment.

The Agency's achievements for 2023 would not have been possible without the dedication and hard work of our talented team, Advisory Board, the Office of the President and Cabinet as well as the support of our stakeholders and partners within and outside Government. This collective effort made it possible for us to complete our digital transformation journey with the launch our Enterprise Resource Planning (ERP) system which went live on 1 April 2023. This new platform streamlines investor interaction with the Agency by eliminating manual, paper-based processes. This shift eliminates delays and ensures faster turnaround times, a significant improvement

for all involved. The nearly paperless system has reduced our license processing time, from over twenty-one days to less than five days.

During the year measures were taken to consolidate the Agency's mandate through the promulgation of the Special Economic Zones and General Investments Regulations on 14 November 2023. The Special Economic Zones S.I. 226 of 2023, provides for procedures to be followed in the application and designation of land as Special Economic Zones, while the General Investments Regulations, S.I. 227 of 2023 stipulate the licensing procedures for the issuance of General Investment Licenses.

Leveraging market intelligence, customer insights, and targeted sector strategies, ZIDA, the national investment promotion agency, achieved significant progress in attracting international investment. Our efforts resulted in a demonstrably more diverse investor base, with participation by companies from 46 countries in 2023, a 35% increase compared to 2022. As with previous years, most of the investors came from China primarily drawn to the mining sector. Manufacturing was the second most sought after sector. We were further encouraged by the rise in the number of new investors from South Africa, Botswana, and the UAE - source markets we have actively marketed to and which are poised to register strong growth in years to come. Overall, we successfully licensed 615 new investors compared to 267 in 2022, representing a growth of +130%.

Contrary to popular belief, our mandate emphasizes the need to attract not only Foreign Direct Investment (FDI) but Domestic Direct Investment (DDI) as well. Our renewed focus on the latter, continues to bear fruit with investment from Zimbabwean investors ranking fourth as a source market. In absolute terms, investment from Zimbabwe is much higher than recorded by the Agency primarily because our laws do not require that all investments be licensed by ZIDA. We believe that with increased visibility of the Agency's role in investment facilitation and advocacy for a better business environment more domestic investors will appreciate the need to register their investments with ZIDA.

In addition to advocating for an improved business environment and ease of operations, the Agency is committed to fostering innovation to enhance accessibility and feasibility of investment opportunities for investors. In the third and fourth quarters of the year, we successfully launched

new products in the form of Mining and Tourism Matchmaking platforms. These online services facilitate connections between investors and project promoters, enabling investors to discover assets that may not be easily accessible through conventional scouting methods. These platforms significantly expand our spectrum of investment opportunities beyond our internal research and project development efforts.

We appreciate that to be effective the Agency cannot work in isolation. We are therefore strong advocates for a Whole-of-Government approach to realising our national vision, of becoming an upper middle-income economy by 2030. To strengthen collaboration with key Government organs, private sector companies and regional counterparts, the Agency signed collaborative agreements with the Zimbabwe Revenue Authority, the Reserve Bank of Zimbabwe, CBZ Holdings, the Zimbabwe National Chamber of Commerce, Nedbank Zimbabwe Limited, Ecobank Zimbabwe, a Tripartite MoU with ZIMTRADE and APIEX of Mozambique. These partnerships will see the exchange of information, joint investment promotion activities and contribute to creating a vibrant national investment ecosystem for Zimbabwe as an attractive investment destination.

As we work towards 2024, the Agency is committed to build on the groundwork established in 2023 guided by our Strategic Plan. This plan is centered around several key objectives, including identifying and promoting investment opportunities that are of national significance, integrating processes across Ministries, Departments and Agencies to enhance the Ease of Doing Business, and advocating for a business- friendly environment that fosters growth and success. These strategic initiatives will guide our efforts in the coming year, ensuring that we continue to facilitate investment, streamline operations, and create a conducive ecosystem for businesses to prosper.

I would like to express my sincere gratitude to the ZIDA Advisory Board, management team, employees, and all our valued stakeholders – investors, government ministries, departments, and agencies – for their dedication and contributions in 2023. Your unwavering support has been instrumental in my role as ZIDA's CEO. Looking ahead, I eagerly anticipate continuing our collaborative efforts in 2024 and beyond, to achieve ZIDA's long-term goals and drive the Agency to even greater heights.

# 2023

## In Summary

The Zimbabwe Investment And Development Agency (ZIDA) presents its **3<sup>rd</sup> Annual Report for the Fiscal Year** January to December 2023, according to the provisions of the ZIDA Act (Chapter 14:38). The Agency witnessed a number of measurable achievements during the period as summarised in the initiatives outlined below.



**Promulgation of the Agency Regulations for consolidation of its mandate**, saw the Agency on the 14<sup>th</sup> of November 2023 successfully gazette Special Economic Zones Regulations, S.I. 226 of 2023 and General Investment Regulations, S.I. 227 of 2023. The gazetting of the Regulations, marked a major positive step in streamlining the Agency's processes and thereby increasing transparency and ease of investment for the investor. The Agency, at establishment was required to ensure investment facilitation, investment promotion and protection and create an attractive investment destination of choice with a clear investment framework, and the finalisation of this set of Regulations was an important step towards achieving this mandate.

**Approval of planned Special Economic Zones for designation - three (3)** applications were reviewed and approved for designation under the new SEZ regulatory framework between 14 November and 31<sup>st</sup> December 2023. The designated Zones are Green Fuels SEZ in Chisumbanje, Power and Metallurgical Processing SEZ in Beitbridge and the Goromonzi Agro-Industrial Park in Goromonzi. As at December 2023, the Agency was monitoring and regulating **13 live** SEZ sites across the country, all at different stages of development.

**Active advocacy on legislation impacting investments in the country** the period under review saw active engagement with investors and the drafting of white papers and opinions by the Agency on new legislation promulgated during 2023, which were shared with investors on issues such as Foreign Currency Retention, Ban on Unprocessed Lithium, Reduction of Intermediate Money Transfer Tax (IMTT), Suspension of Duty on Ammonium Nitrate, Carbon Credit Regulations and Accession to the Revised Georgetown Agreement, among others. The Agency played an active role in providing analysis and impact of each legislation, as it was passed and the same was shared with investors and stakeholders on the Agency's media platforms. There were **no reported investor withdrawals** recorded at the Agency during the year 2023 as a result of legislative changes.

The Agency played an active role in providing analysis and impact of each legislation

**Continued participation in Regional and International investment protocol negotiations,** the Agency played a key role by participating in the deliberations of the Committee on Investment at the 8<sup>th</sup> Meeting of African Continental Free Trade Area (AfCFTA) and the Ministerial Regulations on Special Economic Zones at the same session in February 2023. Additionally, the Agency participated at the EU – ESA5 negotiations on the deepening of interim Economic Partnership Agreement between Comoros, Madagascar, Zimbabwe, Mauritius and Seychelles.

**Introduction of the long-awaited Investor Grievance Response Mechanism (IGRM),** within the General Investment Regulations in November 2023, which were incorporated to enable investors to seek redress for issues and problems they may experienced during their operation in the country. The Agency considers the incorporation a key milestone as it will enable investors to engage on issues they are facing using a structured framework, before considering taking legal action on matters that may arise. The introduction of the IGRM within ZIDA is expected to significantly reduce the number of grievances raised by investors as there is now a more structured and transparent manner of dealing with investor grievances.

**Increased inter-agency cooperation through Service Level Agreements (SLAs)** - these were entered into with Government departments and Agencies as a measure to improve the country's service offering to investors and streamline the country's business operations and environment in pursuit of increasing the ease of doing business in the country. In 2023, the two (2) main SLAs signed with the Zimbabwe Regulatory Authority (ZIMRA) and the Reserve Bank of Zimbabwe (RBZ) enabled facilitation of real time processing of investor enquiries on tax related matters and systematic accounting for FDI and DDI in the country.

**Increased number of Collaboration Agreements these were signed** with strategic stakeholders to encourage local private sector participation in investment opportunities in the country, and as part of the Agency's campaign to improve domestic direct investment in the country, with **12** MoUs signed by year end. As a result of these collaborations, the Agency partnered effectively with CBZ Holdings to promote the mining and energy sector at the Africa Down Under 2023, in Perth Australia, an outreach which culminated in the finalisation of an investor licence for the one of the most vibrant licences of 2023, for Solar Century Africa which plans to develop a **7MW** power plant for a high energy mining entity in the country.










**Campaign and initiatives to attract domestic investors** and drive domestic direct investment (DDI) were part of the Agency's strategy to increase the number of local companies holding investor licences. **3 events** were held with licenced foreign investors invited to interact with local companies – the main focus being on highlighting the services on offer to all licenced investors and to showcase the equitable application of the ZIDA Act to local and international investors. The uptake from the local investors was low – but as at the end of December 2023, there was a recorded total of **US\$0.393billion** licenced under Zimbabwe investors. The target for the Agency for DDI was set at **US\$0.5 billion** – with the Agency achieving **80%** of this target.



**Attraction of new Foreign Direct Investment (FDI) up to December 2023**, with a total projected investment value of **US\$ 9.67 billion** registered by December 2023, with the highest number of investors arising from People's Republic of China, South Africa, Zimbabwe, India and United Kingdom. The Agency surpassed its goal of attracting a projected FDI value of US\$1.5billion by almost **650%**.

	Investment Value (US\$m)	No of Investors
 Peoples Republic of China	3,929.67	<b>369</b>
 South Africa	1,721.51	<b>56</b>
 Zimbabwe	393.10	<b>34</b>
 India	52.28	<b>18</b>
 United Kingdom	26.74	<b>15</b>

Country	Investment Value (US\$m)	No of Investors
Peoples Republic of China	3,929.67	369
South Africa	1,721.51	56
Zimbabwe	393.10	34
India	52.28	18
United Kingdom	26.74	15

**Improved facilitation of investor services** through the Agency's One Stop Investment Service Center (OSISC), mapping and streamlining of its operational processes, resulting in a total of **615** new licences issued – a visible **+130%** increase from 2022. The sector with the highest number of licences was **mining** which had a final tally of **277** licences followed by **manufacturing** sector with **138** licences. Key to the success of facilitation was and remains the Agency's due diligence process, that assists in thorough investigation and assessment of investors backgrounds and conduct before allowing them to make an investment in the country.

**Continued improvement on the Ease of Doing Business for investors**, through the introduction of the Agency's long-awaited Customer Relationship Management (CRM) system, resulting in a major improvement on licencing turn-around time at ZIDA from **21 to 7 days** by December 2023. The Agency leveraged on this achievement and used it as an opportunity to showcase the effectiveness of the use of digital platforms and the positive impact on the country's ability to improve service delivery to investors. A number of parastatals have since engaged with the Agency's ICT department, to get a better understanding on how the Agency's new digital platform works.



**Adoption of digital processes and development of e-applications** resulting in improved service delivery and Agency visibility. In April 2023, the Agency embarked on its digitalisation journey of creating online processes that would allow investors access to the Agency – **24/7** - from any part of the world. The digitalisation process was split into 3 major areas of focus – with the **investor self-service portal, the website update and internal CRM** being the anchor developments for the first stage. By December 2023, the **CRM was at 100%** complete for the internal processes that had been scheduled for updated, with the website update at

**95%** - pending test runs and activation, while the **investor self-service portal** which was the main focus for the Agency – was at **95%** complete. The adoption of the digital processes marked a major milestone for the Agency as it was positioned amongst a select group of Investment Promotion Agencies in the Region, with a functional and up to date digital platform.

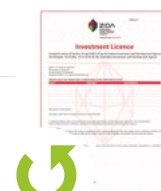
**Enhancement of investor engagement services** following the commencement of the Agency's digitalisation journey, which saw the reduction of in person submission of licence applications and the introduction of email-based applications. Overall, there was a reduction in paper-based transactions across the entire Agency's administration processes by an estimated **70%**.

**Improved investor response mechanism** through assignment of investor enquiries to individual offices and real-time follow up on the CRM platform – which resulted in most enquiries being cleared with **72hrs** of registration on the Agency's enquiries platform.

2. Number of Renewed Licenses

415

Actual Investment Value (Renewals)



\$1.2bn (US\$)

**Intensified monitoring and evaluation processes** measured re – investment by licenced investors in the country, through the renewal of **415** licences, with an actual recorded investment value of **US\$1.2 billion**. The Agency's target for 2023 for reinvestment from its licenced investors was set at **US\$2 billion**. Although the final recorded reinvestment value was slightly lower than the targeted value – by approximately 40%, it was accepted that there may have been hesitation to reinvest during the election window period in the country from June to August 2023.

### Prioritisation and promotion of key focal sectors

was a deliberate strategy which gave the Agency focus, and was most visible in two (2) of the chosen sectors - Energy & Mining. The highest projected investment value came through the **Energy** sector, with a total licenced value of **US\$3.524 billion**, and the highest number of new licences were issued to investors in **Mining** which had **277** licences approved by year end.

**Development and publication of key investment data and statistics** as a result of the Agency's ability to capture information, collate and analyse it on its new CRM. The Agency published its Annual Report for 2022 and Quarterly Performance reports, in line with the ZIDA Act requirements for keeping investors and stakeholders informed of its activities. Additionally, the Agency generated Provincial specific data that allowed stakeholders to view the levels and areas of interest of investors in each province, in a bid to buttress the central role of provinces in driving the development agenda. The data highlighted the continued attraction and dominance of **Harare Province** with a total number of **312 investors**, while **Mashonaland West Province** had the highest value of projected investment at **US\$2.383billion**.



Projected Investment value (US\$ Millions)

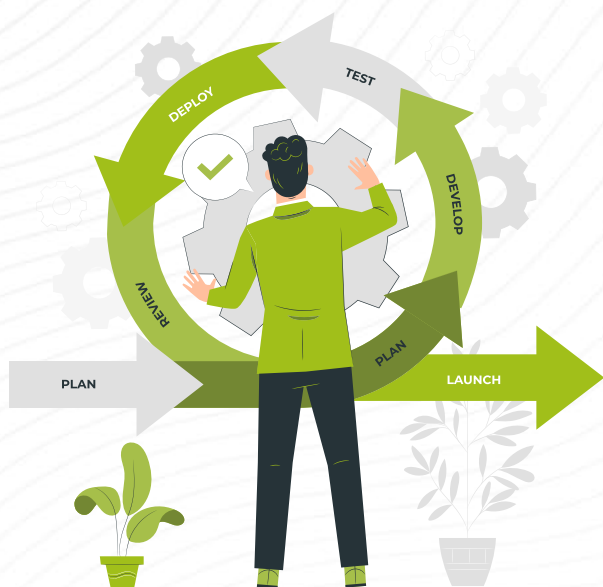


### Enhanced and focused participation in promotional events

, with ZIDA participating in **37** various local, regional and international events – which focused on promoting the targeted sectors mining, energy, tourism and agriculture. The main messages shared was Zimbabwe's openness to receive new investors and the investment opportunities. Organised Business 2 Business meetings were scheduled in an effort to showcase specific products on offer in different provinces. A total of **3000** in person and virtual engagements were made through these events.

**Intensified investor targeting initiatives** through the development of investor profiling matrices, structuring of source market specific analysis, and investing in acquisition of FDI data banks. The data and information obtained up to December 2023 was partially used for determining promotion events and corporates to target during the coming year.

**Increased access to new source markets** through direct engagement with Foreign, embassy representative and Zimbabwean foreign mission offices around the world. The Agency met and engaged with **16** Embassies represented by their Ambassadors and senior Technical officers. **7 foreign delegations** were hosted at the Agency in the period up to December 2023.



**Development and marketing of new investment promotion products**, with the Agency creating a Matchmaking Platform, connecting investors with project owners in the country, initially targeting the **Mining and Tourism sectors**, and generating interest and registration from **50** project promoters within 3 months of its activation in August.

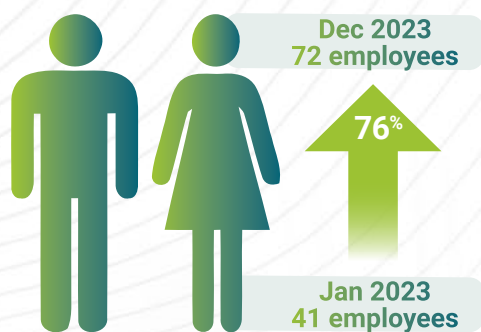
**Improved analysis and structuring of Public Private Partnership (PPPs)** with the Agency analysing and submitting **8 PPP project proposals** to the Cabinet Committee for review. Only one (1) proposal valued at US\$ 30.5 million reached commercial close in 2023, with two (2) proposals not approved and the remaining five (5) proposals still to pass through feasibility study stage.

**Fostering of media relations** through a Media Engagement Forum in July, with 16 local and international media houses attending, the result was a marked increase in the Agency's visibility across a large number of media platforms – most visibly on LinkedIn which doubled its following from **7 000** followers at the end of the 2<sup>nd</sup> Quarter to approximately **15 000** followers by December.

**Increased Agency brand visibility and national reach** through the upgrade and strategic relocation of its Bulawayo Regional Offices in October, to its new location on Jason Moyo and Leopold Takawira Avenue. The redesigned office spaces and location allow investors easy access and parking, and the ambience is reflective of the Agency's drive to create high quality interactive meeting spaces for investors.



“ The redesigned office spaces and location allow investors easy access and parking,



### Human Capital Base

**Increased Agency output** following the successful engagement of a young dynamic team, with a total of **40 new** employees engaged between May and December. These new employees covered Executive and Middle management as well as Officer and intern levels. As a result, there was a marked improvement in the delivery rate in almost all Departments, with workloads being spread across a larger area of responsibility, as the almost **-50%** human resource gap had been cleared. By December, the Agency had **72** fixed term Staff members, with 8 in the Executive and an additional **17 specialists** seconded to the OSISC unit giving a **total of 89** persons offering service to investors in the country.

**Structured induction and onboarding program** for all new employees, undertaken over a **5 day period** before an Employee took up his or her designated desk in the Agency, resulting in a smooth and fast paced assimilation into the daily Agency operations by at least **95%** of the new Staff.

**Intentional and intensified development of human capital** with at least **6 877** training hours logged for local, regional and international training offered and taken up the Agency employees as at December 2023. Areas covered included governance, public private partnership development, financial management, information technology, marketing and investment promotion. All the Agency staff participated in a minimum of 3 training programmes during the year.



**Structured staff wellness programme** to drive new corporate workplace culture and ensure continuous employee health and wellbeing. The programmes focus on creating healthy competitive spirit through team structured games and physical exercises. By December, the Agency had run **2** very successful employee wellness events, attended by **99%** of the Staff. In addition, the Agency initiated a monthly engagement programme driven by Employees themselves, which allowed Employees to share initiatives on general life and workplace issues, and receive updates from the Chief Executive Officer, on how the Agency was performing, as well as the plans and focus areas for each upcoming month.

**Continuous employee engagement** which is visible in the **82%** Employee Engagement Index (EEI) reported in December. The Agency reported an 89% response rate to its employee survey – much higher than the average 60% for employee surveys, an indication of the level of engagement and commitment to the Agency by its Staff.

**Reduction in staff turnover to 8%** - from the measured 38% and 19% in 2021 and 2022 respectively. The Agency continued to position itself as a young and innovative organisation set for growth, and created programmes and initiatives to make its offer compelling to employees – which resulted in a marked reduction in staff turnover.

## AGENCY

Performance Rating



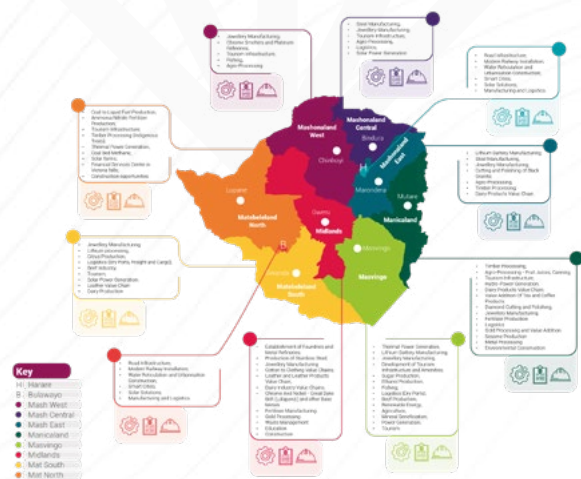
State-Owned Enterprise (SOE)  
Performance Rating Average

3.86

**Development and implementation of the Personal Execution Matrix (PEM) System**, to enable employees to better plan and execute their tasks. The PEM tool which was activated in October, was effectively cascaded to all levels of employees, and played an important part in the Agency's above-average performance rating of **4.52 out of a possible 6** for the year 2023.

**Continued capacity development and strengthening** through partnership with the International Finance Corporation (IFC) under the Zimbabwe Investment Policy and Promotion Program (ZIPPP). The Agency added a significant number of hours of training, both virtual and in-person focusing on investment promotion, lead generation and retention through services offered by the IFC Team. As a result, the Agency was able to offer its own capacity development training to select parastatals, focusing specifically on Public Private Partnerships in the 2<sup>nd</sup> quarter of the year.

The PEM tool played an important part in the Agency's above-average performance rating



**Promoting and driving government's devolution strategy** through provincial investment promotion engagements, with the Agency providing in person and on site training to **MDAs for the Provinces**. The main focus of the training was to provide the Provinces with the basics, of how to structure their value proposition as investment destinations and guidelines on investor handling techniques. The Agency facilitated training and engagement of at least **120** Officers from respective MDAs, between May and October.

**Positioning the Agency for an active regional promotional role**, through active participation in the development of the Association of African Investment Promotion Agencies (AIPA) in January and October. Supported by AfCFTA and the World Association of Investment Promotion Agencies (WAIPA), the Association will comprise of IPAs within State parties of the African Union, and associate membership from other public and private sector bodies. ZIDA was assigned the responsibility of coordinating the regional task force, focusing on finalising the statutes for the Association, which is expected to play a critical role in supporting the implementation of the AfCFTA protocols on investment. Additionally, the Agency entered into a tripartite agreement with ZIMTRADE and APIEX of Mozambique for promotion of investments and exports, as part of the process of enhancing bilateral trade and investment between the two countries.

**Promoting social and cultural participation** through its monthly Clean Up Campaign, as part of its goal to keep Zimbabwe Clean. The Agency took part in all **12** of the country's clean up campaigns at the start of each calendar month, with the focus on keeping the area around our offices clean and effectively contributing to the national campaign.



**Join Us for our Clean Up Campaign!**

**DATE:** Friday 6 October 2023  
**MEETING POINT:** 4<sup>th</sup> Floor  
**TIME:** 0830hrs  
**VENUE:** Fourth Street Bus Terminal  
**DRESS CODE:** ZIDA purple golf t-shirts

#opportunities  
#investinzimbabwe

[www.zidainvest.com](http://www.zidainvest.com)



**Continuation of the Agency's strategy of consultation and inclusivity** through its annual stakeholder engagement program in September, bringing together **200 stakeholders** in person, representing both private and public sector entities, and in which **7 key stakeholder focus and priority areas** were outlined and included in the Agency's annual strategic planning sessions.

**Enhancement of the Agency's corporate governance position** through timely submission of required corporate governance performance and financial documentation to the relevant statutory offices, and commencement of development of a Corporate Standard Procedure Manual in July, with **40%** of the operational procedures drafted by December. Additionally, the Agency Management worked with the Advisory Board to **review and report on its performance** at the half year mark in July, in line with the Corporate Governance framework.

**Development of data driven goals in** the crafting on its annual strategic plans, based on the Agency's newly established statistics and data obtained over the 12-month period to October, on the new CRM platform. This data and information enabled the Agency to effectively structure the main goal of creating a **US\$15billion project pipeline**, in the following 12 months of operation, post December.

the Agency Management worked with the Advisory Board to review and report on its performance

# Doing Business Made Easier In 2023

## Legislation

- 12** Investment Facilitation Agreements signed with Strategic Stakeholders
- 2** ZIDA Act Regulations gazetted
  - Promulgation of ZIDA (Special Economic Zones) Regulations, S.I. 226 of 2023
  - Promulgation of ZIDA (General Investment) Regulations, S.I. 227 of 2023



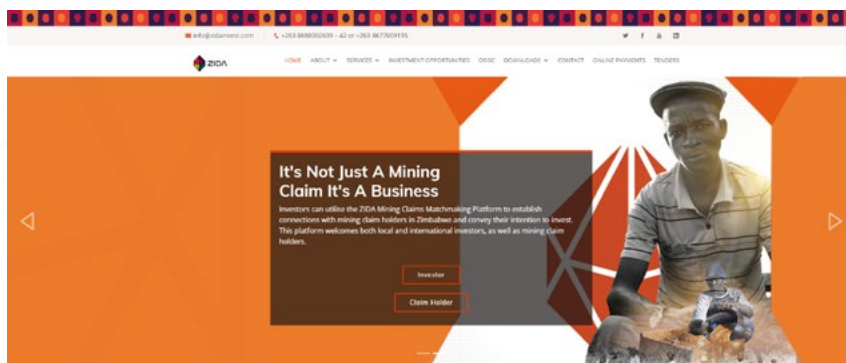
## Activation of the Customer Relationship Management System [CRM (ZOHO)]

<b>Walk-ins</b> (January-March)		<b>Email</b> (April-October)		<b>Portal Testing Phase</b> (October-December)	
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## Digitalisation of the Licencing Process

Average processing time <b>21 Days</b>	Average processing time <b>7 Days</b>	Average processing time <b>5 Days</b>
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## New Products Launch



**Mining Claims Matchmaking Platform**  
(Launched August 2023)



**Tourism Investment Matchmaking Platform**  
(Launched October 2023)





Legal and  
**Compliance**

# The ZIDA Act

The ZIDA Act [Chapter 14:38], encourages the seamless establishment of positive foreign investment that provides sustainable new technologies, employment, access to global markets and backwards and forward integration with local industry – aligned to the country’s vision to achieve an upper middle-income society by 2030.

The Act has two stated purposes: to review significant foreign investments for their likely net economic benefit to Zimbabwe in a manner that encourages investment and economic development. Foreign and domestic investments processed and eligible for Special Economic Zones establishment, solicited and unsolicited Public Private Partnerships and any other General Investments licensed by the Agency are reviewed and processed under the Act.

Under section 43 (1) of the ZIDA Act, the Chief Executive Officer shall submit an Annual Report for each fiscal year on the operations of the Agency. This 2023 Annual Report includes an overview of the compliance with the Act, strategies adopted to promote and facilitate investment, descriptions of the investment activities approved and licensed, summaries of the projected investments in the economic sectors, sources of the investment, data on the investors’ countries of origin, sector and target provinces for investment.

*‘Under section 43 (1) of the ZIDA Act, the Chief Executive Officer shall submit an Annual Report for each fiscal year on the operations of the Agency.’*

# Corporate Governance Statement

**Z**IDA, established under Section 3 of the Zimbabwe Investment and Development Agency Act [Chapter 14:38], was formed on 7 February 2020 by consolidating three government entities: the Zimbabwe Investment Agency (ZIA), the Zimbabwe Special Economic Zones Authority (ZIMSEZA), and the Joint Venture Unit under the Ministry of Finance and Economic Development.

The Agency's core mandate encompasses promoting, facilitating, and protecting investments in Zimbabwe and providing comprehensive aftercare services to investors. Additionally, ZIDA is tasked with establishing a One-Stop Investment Services Centre to streamline the investment process and enhance business in the country. Moreover, ZIDA is pivotal in establishing and regulating Special Economic Zones (SEZs) within Zimbabwe.

As part of its responsibilities, ZIDA evaluates project proposals, formulates policies, and conducts monitoring and evaluation related to Public-Private Partnerships (PPPs), making recommendations

to the Government through the Public Private Partnerships Committee chaired by the Permanent Secretary of the Ministry of Finance, Economic Development and Investment Promotion.

**The Office of the President oversees ZIDA, which is led by a Chief Executive Officer. An Advisory Board established by Section 7 of the ZIDA Act supports the CEO.** The primary function of the Advisory Board is to advise and provide recommendations to the CEO on matters affecting investment facilitation, development, promotion, and protection. Emphasising regulatory compliance and adherence to best corporate governance practices, the Advisory Board ensures that the Leadership Team and ZIDA staff comply with relevant legislation, regulations, and codes of corporate governance and ethics, including the ZIDA Act, the Public Procurement and Disposal of Public Assets Act, the Public Finance Management Act, the Public Entities Corporate Governance Act, and the Zimbabwe National Code on Corporate Governance (2014).



# ZIDA Advisory Board

## Board Composition and Conduct

The ZIDA Advisory Board, established by the President of the Republic of Zimbabwe on April 1, 2020, operates under the provisions outlined in section 1(1) of the Second Schedule of the ZIDA Act. Appointed for a five-year term, the Advisory Board comprises nine members selected from diverse backgrounds, encompassing both the public and private sectors. These members possess extensive international and local experience and exposure within significant investment and financial institutions. Notably, the composition of the Advisory Board adheres to the stipulations of sections 17 and 18 of the Constitution, ensuring representation from various sectors of society.

It is essential to note that while the ZIDA Advisory Board provides recommendations and advice, it does not hold fiduciary responsibilities. Consequently, the CEO is not obligated to adhere to the Board's recommendations or advice. However, should the CEO choose not to implement any such recommendations, he is required, at the Board's request, to furnish a report detailing the substance of the recommendations or advice he opted not to follow and the reasons for his decision.

The Advisory Board convenes six times a year, as mandated by section 6(1) of the Second Schedule of the ZIDA Act. At each meeting, Board Members must declare that the ZIDA Advisory Board Charter governs their interests and meeting procedures, ensuring transparency, accountability, and effective decision-making processes within the Board.

## Responsibilities of the Board

The Advisory Board is mandated to:

- To investigate and recommend to the CEO any matter affecting investment facilitation, development, promotion, and protection of such investments in Zimbabwe.
- To assist the CEO in discharging their functions by making appropriate recommendations or giving proper advice to the CEO.
- To make appropriate recommendations or give appropriate advice on formulating and implementing strategies for the facilitation, development, promotion, and protection of investments in Zimbabwe.
- To consider any matter referred to it by the President or the Minister.
- To perform any other function assigned to it by or under the ZIDA Act.

## Board and Management Ethics

Observing sound ethical practices, values, and conduct is important for ZIDA. All ZIDA directors and management are required to declare their interests and any conflicts arising in carrying out the practical roles and responsibilities. Such declarations are included in all management meetings, working party meetings, and board meetings held during the period by the Agency.

# ZIDA Advisory Board



## Standing

**Mr. Tafadzwa Chinamo** (*Chief Executive Officer*), **Dr. Eng. Michael James Tumbare** (*Board Member*),  
**Dr. Tobias Takavarasha** (*Board Member*), **Mr. Moosa H. Allana** (*Board Member*)

## Seated (Left To Right)

**Mrs. Sithandile Ngwenya** (*Board Member*), **Mr. Busisa Moyo** (*Board Chairman*),  
**Dr. Sylvia Utete-Masango** (*Deputy Chairperson*), **Ms. Tariro Ndebele** (*Board Member*)

## \*Not in pic

**Mr. Kenneth Schofield**  
(*Board Member*)



**Mrs. Nancy Samuriwo**  
(*Board Member*)



# ZIDA Management Team

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## Left To Right

**Kudakwashe Nyashanu** (*Chief Human Resources Officer*), **Alexios Chigaazira** (*Chief Finance Officer*), **Silibaziso Chizwina** (*Chief Investment Promotion Officer*), **Never Nyemudzo** (*Chief Facilitator*), **Theresa Muchinguri** (*Chief Legal Officer*), **Noel Mahombera** (*Chief Business Development Officer*), **Tichaona Kambanje** (*Head Information Communication Technology*)

## Seated

**Tafadzwa Chinamo** (*Chief Executive Officer*)

# Advocacy, Legislation & Investment Protection

At the establishment of the Agency in 2020, a commitment was made to rationalise and align the Zimbabwe Investment and Development Agency Act [Chapter 14:38] with the rest of the country's legislation as well as to update the Regulatory framework governing its processes. On 14 November 2023, the Agency worked towards fulfilling this obligation by gazetting the Regulations which will provide comprehensive frameworks for Special Economic Zones (SEZs) and General Investments.

Under the ZIDA (Special Economic Zones) Regulations, S.I. 226 of 2023, detailed procedures are outlined for the application and designation of land as Special Economic Zones. Similarly, the ZIDA (General Investments) Regulations, S.I. 227 of 2023, established licensing procedures for General Investment licenses. These regulations also introduce separate processes for investor licensing and registration.

A major milestone covered under the new Regulations was the provision within the General Investments Regulations, for the introduction of an Investor Grievance Response Mechanism (IGRM), which will serve as an early-stage grievance resolution platform to mitigate potential legal disputes and foster investor confidence. The Agency plans to fully operationalise the IGRM, including developing Standard Operating Procedures and automating its processes in the next phase of its development.

## Approval of Planned Special Economic Zones For Designation

Utilising the new Special Economic Zones Regulations, the Agency approved three applications for Special Economic Zone (SEZ) designation, with notices issued to:

- i. Green Fuels Special Economic Zone in Chisumbanje for Ethanol Production- General Notice 2077 of 2023
- ii. Power and Metallurgical Processing Zone in Beitbridge - General Notice 88A of 2023
- iii. The Goromonzi Agro-Industrial Park at Mgargwi Farm, in Goromonzi - General Notice 134 of 2023

# New and Existing Legislation Impacting Investments

During the year a number of changes were made to 5 pieces of legislation that had an impact on licenced investors and the Agency's Legal Unit reviewed each change and provided opinions that would guide investors in their decision making.

- 1. Forex Retention** – The Exchange Control Directive RY002/ of 3 February 2023 increased the ratio of foreign currency retention from 60:40 to 75:25, and the Agency commended the Ministry of Finance, Economic Development, and Investment Promotion for increasing the ratio.
- 2. Ban on Unprocessed Lithium** – under the gazette S.I. 5 of 2023, which imposed an export ban on non-beneficiated base minerals except if it can be proven that :
  - a. The mineral cannot be beneficiated to any extent in Zimbabwe.
  - b. The mineral is being exported for assaying for determination of content or quality of the ore.

S.I. 53 of 2023 on Unbeneficiated Base Mineral Ores, redefined 'base minerals' to exclude coke and coal. In section 3 of S.I. 57, export permits for beneficiated lithium can only be granted where the lithium has been dealt with in accordance with the conditions prescribed in the Schedule. These amendments were taken to be beneficial to the country as they will encourage the local processing of minerals to increase value before they are exported.

- 3. Reduction of Intermediate Money Transfer Tax (IMTT)** was gazetted as an Amendment to the Finance Rate of Intermediated Money Transfer Tax (IMTT) Regulations to reduce the IMTT charged on individual transactions, from 2% to 1%, which the Agency considered a positive step, as the lowering of the IMTT tax will positively impact the ease of doing business in Zimbabwe.
- 4. Suspension of duty for ammonium nitrate** – through gazette S.I. 89 of 2023 Customs and Excise (Suspension) (Amendment) Regulations, 2023 to suspend duty on the importation of ammonium nitrate solution by listed companies for 12 months, for specified amounts of ammonium nitrate, was another positive change to legislation as it will allow investors in the agricultural sector to buy the product at a lower price.
- 5. Carbon Credits Regulations** were put in place to provide a legal framework for trading carbon credits and regulate the existing voluntary carbon credits market in Zimbabwe. The Regulations 2023 S.I. 150 of 2023 on 18 August 2023 and amended on 25 September 2023 under S.I. 158 of 2023, provides the legal framework for controlling and managing carbon credit trading projects in Zimbabwe, ensuring sustainable development and accounting for the country's contribution towards global efforts to reduce or remove greenhouse gas emissions.



# Inter-Agency Cooperations

## Service Level Agreements

As part of drive to improve the Ease of Doing Business in the country the Agency entered into Service Level Agreements (SLAs) with two key stakeholders, Zimbabwe Revenue Authority (ZIMRA) and the Reserve Bank of Zimbabwe in the 3<sup>rd</sup> quarter of the year. The main focus of the SLAs was to allow the Agency to work with the MDAs to develop frameworks for fiscal incentives available to investors under the ZIDA Act and the Finance Act, and to look at how to quickly resolve policy inconsistencies to enhance investors' ease of doing business, as well facilitating real-time processing of investor queries on taxation issues. Additionally, there would be collaboration on how to systematically account for FDI and DDI statistics in the country.

## Domestic Direct Investment Campaign

### Collaboration Agreements

Collaboration Agreements were signed with CBZ Holdings, Zimbabwe National Chamber of Commerce, Nedbank and Ecobank as part of the Agency's campaign to drive investment by domestic investors.

### Regional Cooperations

As part of its Regional positioning strategy, the Agency entered into a tripartite MoU with ZIMTRADE and APIEX Mozambique which is the Agency for Promotion of Investment and Exports in Mozambique, providing a framework for a relationship to enhance trade and investment between the countries.

The Agency continued to play a role in the negotiations of Treaties through its participation at the 8<sup>th</sup> Meeting of the African Continental Free Trade Area (AfCFTA) Committee on Investment, convened to review the Protocol on Investment and negotiate the Annex on Investment Dispute Settlement. The Agency also participated in the Ministerial Regulations on Special Economic Zones, which provided a framework for allowing SEZ goods to benefit from preferential market access under the AfCFTA.

Post the negotiations for the Protocol on Investment finalisation, the Agency will be driving the promotion of Zimbabwe in order to attract intra-African investments. The Agency, together with the Office of the Attorney General of Zimbabwe, will conduct stakeholder sensitisation workshops.

### Treaty Negotiation Participation

The Agency participated in the negotiations between the European Union (EU) and Eastern and Southern Africa Group of five (ESA5 - Comoros, Madagascar, Mauritius, Seychelles, and Zimbabwe) on the deepening of the interim Economic Partnership Agreement, as an advisor on the Chapter on Trade in Services, Investment Liberalisation and Digital Trade.

The Agency participated in the discussion on the COMESA Common Investment Agreement, which focused on ratifying and domesticating the Protocol. The Investment Agreement was negotiated and adopted by the COMESA Assembly in 2007 but has not yet been ratified. ZIDA was invited by the Ministry of Foreign Affairs and International Trade, as the Authority responsible for investments in the country.

The Agency participated in the AfCFTA Capacity Building Workshop for African Investment Promotion Agencies held in Accra, Ghana in January and October 2023, participating in the discussion on the draft Statutes for the Association of African Investment Promotion Agencies. The Association will be constituted to promote and retain investment in Africa through the cooperation and collaboration of Investment Promotion Agencies (AIPAs), for IPAs within State Parties of the African Union and associate membership for African public, private, and non-profit organisations and regional bodies with similar objectives as the Association. The Agency was tasked with coordinating the regional task force, to finalise the Statutes, which will lead to establishing and launching the Association, to support the implementation of the AfCFTA Protocol on Investment.



Investment  
**Facilitation**

# The Statistics

## Operations

1. New Licenses Issued

615



Total Projected Investment Value

\$9.67bn (US\$)

2. Number of Renewed Licenses

415



Actual Investment Value (Renewals)

\$1.2bn (US\$)

3. Key Sector by:

Highest Number of Licenses



Mining

277

Highest Projected Investment Value



Energy

\$3.5bn (US\$)

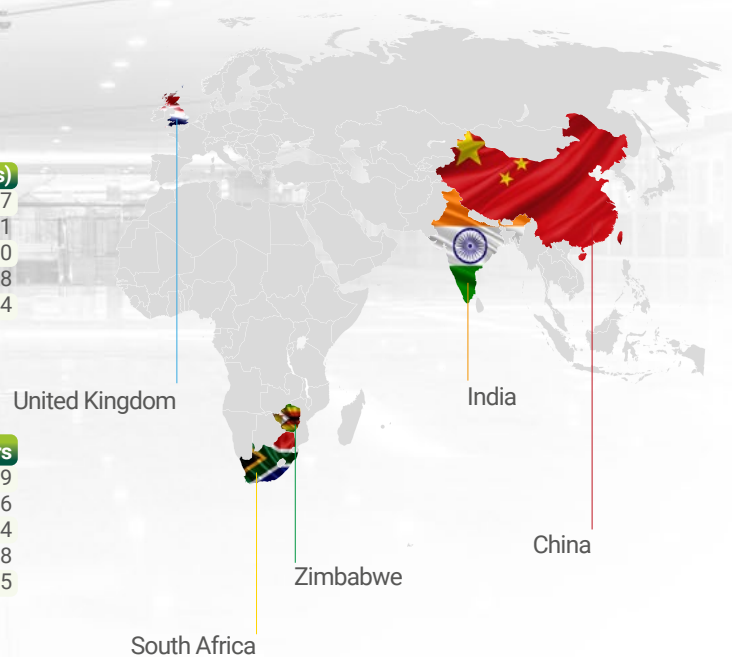
4. Top 5 Countries

### Projected Investment Value

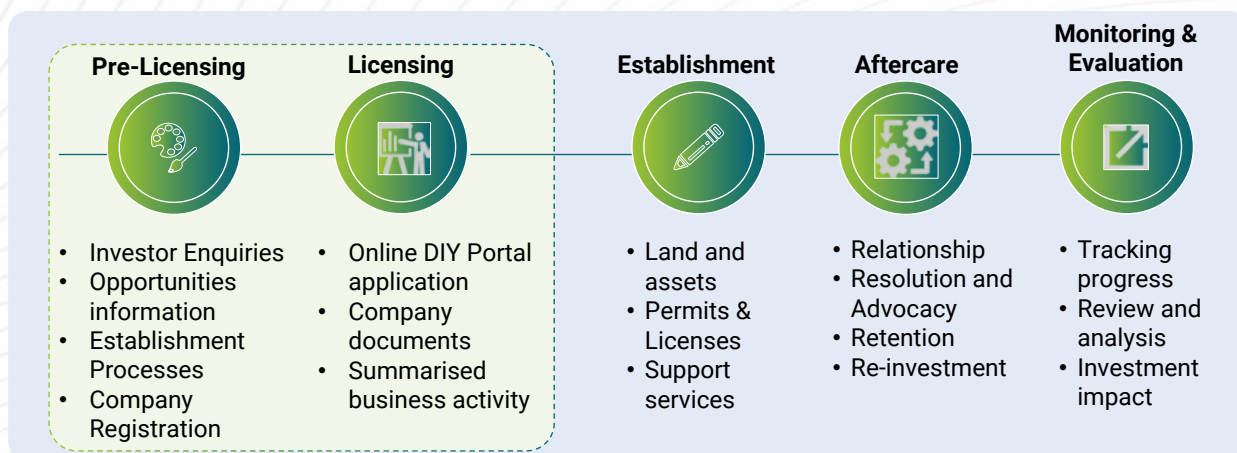
Country	Projected Investment Value (US\$ millions)
Peoples Republic of China	3,929.67
South Africa	1,721.51
Zimbabwe	393.10
India	52.28
United Kingdom	26.74

### Number of Investors

Country	No. of Investors
Peoples Republic of China	369
India	56
Zimbabwe	34
South Africa	18
United Kingdom	15







The Licencing Unit processed and approved total of **615** new license application and reviewed and renewed **415** licences in 2023.

The Agency's licence application approval process remained focused on ensuring investors met the minimum requirements and also provided full information on how they plan to impact the economy and the people of Zimbabwe.

From January to April licences were processed as physical paper submissions, with the Agency changing to email applications thereafter, and commencing the Test run of the self-service portal, which was still in development mode in December.

The average time for processing each of the applications at the beginning of the year was 21 days for physical submissions and gradually reduced to 7 days for applications received on email over the course of the year ending at 5 days by December.

The transition from a manual to an automated CRM system proved instrumental in enhancing the Agency's operations especially when it came to licensing, monitoring, and inquiry handling. The automation improved turnaround times, contributing to a notable increase in licenses issued in 2023. There was a **230.34%** increase in the number of licences issued in 2023, when compared to 2022.

**Table 1: Investment Licence Applications and Issuance and Renewals**

	FY2023	FY2022
No. of New Licenses Issued	615	267
Projected Investment Value (US\$m)	9,669	2,359
No. of Licenses Renewed	415	315
Actual Investment value of existing licences renewed (US\$m)	1,200.00	2,336.00

In 2023, the Agency received applications for licencing from a total of **46 countries**, compared to 34 countries in 2022, with Zimbabwe included in the countries with notable investment. Investors from China continued to dominate the list with a total

of 369 investors licenced from that country, which accounted for 60% of the investors into the country, mostly in the mining sector. This was 154% more investors from China than in 2022.

**TABLE 2: New Investment Licenses Issued by Country-of-Origin FY2023 and FY2022**

Country	FY2023		FY2022	
	No of investors	Investment value (US\$m)	No of investors	Investment value (US\$m)
Angola	1	30.00	-	-
Australia	7	24.55	2	45
Bahamas	-	-	1	2
Belarus	1	0.30	1	2
Belgium	1	0.50	-	-
Benin	1	0.20	-	-
Botswana	4	1,444.55	1	0.35
Britain	15	26.74	6	85
Bulgaria	-	-	1	1
Canada	6	11.85	1	0.31
Cayman Island	1	1.00	-	-
China	369	3,929.67	145	1,086.00
Congo	1	0.91	-	-
Cyprus	2	160.25	-	-
Denmark	-	-	1	0.3
Dominican Republic	-	-	1	7
Egypt	8	4.04	-	-
France	2	35.44	-	-
German	1	0.39	1	0.33
Greece	1	0.33	-	-
Hong Kong	-	-	4	216
India	56	52.28	29	145
Iran	1	0.20	-	-
Isle Man	1	4.00	-	-
Jamaica	1	0.30	-	-
Japan	1	20.00	1	0.3
Jersey	-	-	1	2
Kenya	1	0.30	-	-
Korea	1	0.12	-	-
Lebanon	1	0.33	2	0.26
Lithuania	-	-	1	26
Mali	1	2.00	-	-
Malta	1	0.30	-	-
Marshall island	-	-	1	9
Mauritius	13	52.41	8	456
Mozambique	1	12.77	1	1
Namibia	1	2.00	-	-
Netherlands	6	261.19	1	4
Nigeria	3	3.40	1	30
Norway	1	1.25	-	-
Pakistan	10	6.80	4	3
Russia	2	1.02	-	-
Rwanda	5	7.09	4	2
Seychelles	-	-	1	0.05
Singapore	8	62.54	1	1
South Africa	18	1,721.51	7	8
Spain	1	2.25	-	-
Sri Lanka	-	-	2	5
Sudan	-	-	1	0.33
Sweden	1	0.40	-	-
Switzerland	1	10.50	-	-
Tanzania	1	8.00	-	-
Turkey	6	1.95	-	-
United Arab Emirates	9	1,201.49	11	128
Uganda	1	0.07	-	-
United Kingdom	-	-	2	9
United States of America	7	169.25	2	20
Zambia	-	-	1	1
Zimbabwe	34	393.10	22	74
<b>Total</b>	<b>615</b>	<b>9,669.51</b>	<b>267</b>	<b>2,361.00</b>

Observations during the year showed that there is new interest from countries within the SADC region to invest in Zimbabwe, as there was an increase in inquiries from South Africa and Botswana, both African source markets sharing borders with Zimbabwe. This was viewed as an indication that the Agency needs to pursue the African Regional

investor. Additionally, the United Arab Emirates was another source market with substantial investment values in 2023. The Agency also noted that a large number investments from Zimbabwe predominantly comprised reinvestments by companies already licensed within the country.

### Top 5 countries for FY2023 (Based on Number of Investors)

**Table 7.1: PEOPLES REPUBLIC OF CHINA**

SECTOR	No of New licenses	Capital Equipment from Abroad (US\$m)	Equity (US\$m)	Loan (US\$m)	Other (US\$m)	Foreign Contribution (US\$m)	Local Funds (US\$m)	Local Assets (US\$m)	Local Contribution (US\$m)	Projected Investment Value (US\$m)
Agriculture	1	-	0.50	-	-	0.50	-	-	-	0.50
Construction	17	24.51	5.09	-	-	29.60	0.58	1.36	1.94	31.54
Energy	8	396.89	1,587.60	779.42	-	2,763.91	-	-	-	2,763.91
Manufacturing	79	102.59	36.60	3.90	14.97	158.07	10.09	4.11	14.20	172.27
Mining	201	379.29	443.15	30.96	11.75	865.14	8.34	25.23	33.57	898.71
Services	49	36.08	10.00	0.37	1.24	47.68	-	0.21	0.21	47.89
Tourism	3	0.98	0.28	-	-	1.26	-	-	-	1.26
Transport	11	10.51	2.56	0.47	-	13.53	-	0.07	0.07	13.60
<b>Grand Total</b>	<b>369</b>	<b>950.84</b>	<b>2,085.77</b>	<b>815.11</b>	<b>27.95</b>	<b>3,879.68</b>	<b>19.01</b>	<b>30.98</b>	<b>49.99</b>	<b>3,929.67</b>

**Table 7.2 INDIA**

SECTOR	No of New licenses	Capital Equipment from Abroad (US\$m)	Equity (US\$m)	Loan (US\$m)	Other (US\$m)	Foreign Contribution (US\$m)	Local Funds (US\$m)	Local Assets (US\$m)	Local Contribution (US\$m)	Projected Investment Value (US\$m)
Construction	1	0.16	0.04	-	-	0.20	-	-	-	0.20
Energy	1	0.02	0.08	-	-	0.10	-	-	-	0.10
Manufacturing	12	5.21	1.80	4.44	-	11.46	1.50	-	1.50	12.96
Mining	12	13.55	4.00	6.48	-	24.03	0.09	-	0.09	24.12
Services	29	6.53	8.02	-	0.07	14.62	0.04	0.09	0.13	14.75
Transport	1	-	0.15	-	-	0.15	-	-	-	0.15
<b>Grand Total</b>	<b>56</b>	<b>25.48</b>	<b>14.09</b>	<b>10.92</b>	<b>0.07</b>	<b>50.56</b>	<b>1.63</b>	<b>0.09</b>	<b>1.72</b>	<b>52.28</b>

**Table 7.3 SOUTH AFRICA**

SECTOR	No of New licenses	Capital Equipment from Abroad (US\$m)	Equity (US\$m)	Loan (US\$m)	Other (US\$m)	Foreign Contribution (US\$m)	Local Funds (US\$m)	Local Assets (US\$m)	Local Contribution (US\$m)	Projected Investment Value (US\$m)
Agriculture	1	0.70	0.20	-	-	0.90	-	0.10	0.10	1.00
Construction	1	577.09	-	850.70	273.61	1701.40	-	-	-	1701.40
Energy	1	0.10	0.10	-	-	0.20	-	-	-	0.20
Manufacturing	1	-	0.60	1.20	-	1.80	-	0.01	0.01	1.81
Mining	6	5.48	5.52	-	-	11.00	0.10	-	0.10	11.10
Services	6	0.78	2.51	1.54	-	4.83	-	-	-	4.83
Tourism	2	0.18	0.64	0.10	0.00	0.91	0.23	0.03	0.26	1.17
<b>Grand Total</b>	<b>18</b>	<b>584.33</b>	<b>9.56</b>	<b>853.54</b>	<b>273.61</b>	<b>1721.04</b>	<b>0.33</b>	<b>0.14</b>	<b>0.47</b>	<b>1721.51</b>

**Table 7.4 ZIMBABWE**

SECTOR	No of New licenses	Capital Equipment from Abroad (US\$m)	Equity (US\$m)	Loan (US\$m)	Other (US\$m)	Foreign Contribution (US\$m)	Local Funds (US\$m)	Local Assets (US\$m)	Local Contribution (US\$m)	Projected Investment Value (US\$m)
Agriculture	5	6.32	1.55	2.50	-	10.37	6.45	0.24	6.69	17.06
Construction	4	2.44	35.12	1.10	-	38.66	28.13	0.03	28.16	66.82
Energy	2	-	76.00	178.00	-	254.00	-	-	-	254.00
Manufacturing	10	3.47	5.35	-	0.52	9.35	10.95	0.99	11.94	21.28
Mining	8	9.70	3.50	13.00	0.30	26.50	2.10	0.30	2.40	28.90
Services	5	2.27	1.29	-	0.18	3.74	0.50	0.80	1.30	5.04
<b>Grand Total</b>	<b>34</b>	<b>24.20</b>	<b>122.81</b>	<b>194.60</b>	<b>1.00</b>	<b>342.62</b>	<b>48.12</b>	<b>2.36</b>	<b>50.48</b>	<b>393.10</b>

**Table 7.5 UNITED KINGDOM**

SECTOR	No of New licenses	Capital Equipment from Abroad (US\$m)	Equity (US\$m)	Loan (US\$m)	Other (US\$m)	Foreign Contribution (US\$m)	Local Funds (US\$m)	Local Assets (US\$m)	Local Contribution (US\$m)	Projected Investment Value (US\$m)
Agriculture	1	0.25	-	2.21	-	2.46	-	2.40	2.40	4.86
Energy	1	-	0.10	0.20	-	0.30	-	-	-	0.30
Manufacturing	1	0.20	0.06	-	-	0.26	-	-	-	0.26
Mining	7	4.76	8.82	0.74	-	14.32	-	-	-	14.32
Services	3	0.09	1.44	-	-	1.52	-	-	-	1.52
Transport	2	0.40	5.08	-	-	5.48	-	-	-	5.48
<b>Grand Total</b>	<b>15</b>	<b>5.69</b>	<b>15.50</b>	<b>3.15</b>	<b>-</b>	<b>24.34</b>	<b>-</b>	<b>2.40</b>	<b>2.40</b>	<b>26.74</b>

### Key Definitions

- **Capital Equipment** is the physical assets of a business, such as machinery, tools, and vehicles. It is used to produce goods or services and is a long-term asset expected to last more than one year.
- **Equity** is the ownership interest in a business. The owners of the business can contribute equity.
- **Loan** is a debt that is borrowed by one party from another. The borrower agrees to repay the loan with interest over a specified period. Loans can be used to finance a variety of activities, such as the purchase of capital equipment or the expansion of a business.
- **Local contribution** is a financial contribution that individuals or organisations make from sources within the borders of Zimbabwe.
- **Foreign contribution** is a financial contribution that individuals or organisations make from sources outside the country.
- **Project Investment Value** is the total amount that investors commit for the investment project on the application.
- **Actual Investment Value** is the total amount of the investment made by the shareholders in the investment project.



### Sectoral Analysis

Most investors continued to show interest in the mining sector, followed closely by the manufacturing and services sectors. These sectors collectively accounted for a substantial portion of the six hundred fifteen (615) new licenses issued, with proportions of **45%, 22%, and 19%**, respectively.

Despite the mining sector attracting the most licensed investors, it was the energy sector that had the highest recorded projected investment value. With only 20 new energy investors licensed,

as compared to 277 in mining – the energy sector emerged at the top, with an investment from New Eagle Industrial Park (Pvt) Ltd, which proposed to invest US\$2.3 billion toward the development of an energy industrial park in Mapinga, Mashonaland West. An analysis of the project shows that the focus will be on mining of select minerals for the development of electric vehicle batteries, and the generation of renewable energy in a large urban development that will also allow for the development a small new community in the area.

**Table 3: FY2023 Investment Licences Issued by Sector and Source of Funds**

Sector	No. of Investors	Foreign Contribution	Local Contribution	Projected Investment value
Agriculture	13	20.68	11.80	32.48
Construction	27	1,931.23	30.10	1,961.33
Energy	20	3,524.69	0.61	3,525.30
Manufacturing	138	222.58	28.31	250.89
Mining	277	2,565.59	36.25	2,601.84
Services	119	1,268.27	7.49	1,275.76
Tourism	5	2.17	0.26	2.42
Transport	16	19.42	0.07	19.49
<b>Total</b>	<b>615</b>	<b>9,554.62</b>	<b>114.89</b>	<b>9,669.51</b>

Part of the Agency’s focus was on continuing to create a verifiable source of investment data and information, that investors could easily access, analyse and utilise to determine their journey in the country. As a result, the development of data that showcases investment activity in each respective Province, was once again a key output for the Licencing Unit, which showed that Harare Province continued to dominate in attracting investors – coming up with the highest number of investors at **312** for the twelve-month period – which was **51%** of all the new licences issued in 2023. The attraction to the capital city and Province has been assessed and attributed to its ease of access from the international airport, and also its ability to provide some essential

business establishment requirements – such as energy, water, communication and input materials. Predominantly, projects within the Harare Province are mostly in the manufacturing and service sectors. Mashonaland West recorded the highest value in projected investment at **US\$ 2,383.12 billion** – as a result of the single energy project registered by New Eagle Industrial Park.

9 of 10 the Provinces witnessed an increase in the number of investors licenced over the twelve month period. The Bulawayo Province recorded a **370%** drop in projected investment from the **US\$ 286million** to **US\$ 77 million**.

## Provincial Analysis

**Table 4: Investment Licences Issued and Projected Investment by Province FY2023 and FY2022**

PROVINCE	FY2023		FY2022	
	Number of Licenses	Projected investment value (US\$m)	Number of Licenses	Projected investment value (US\$m)
Bulawayo	27	77.28	7	286.00
Harare	312	1,988.43	127	304.00
Manicaland	21	1,509.59	9	34.00
Mashonaland Central	30	230.91	13	21.00
Mashonaland East	65	515.46	21	60.00
Mashonaland West	37	2,383.12	32	127.00
Masvingo	32	1,845.07	15	542.00
Matabeleland North	23	701.61	12	23.00
Matabeleland South	10	15.51	7	7.00
Midlands	58	402.54	24	956.00
<b>Grand Total</b>	<b>615</b>	<b>9,669.51</b>	<b>267</b>	<b>2,360.00</b>

The OSISC Unit continued to deal directly with investors addressing their specific inquiries and overseeing post-licensing activities through subject matter experts in the Agency, and in some instances through Ministries and other Departments.

The Agency's main access designated email: [info@zidainvest.com](mailto:info@zidainvest.com) received a total of **2 018** enquiries, which were mostly processed internally through subject matter experts. The average time taken to respond to each email was 72 hours.

Part of the OSISC service is the facilitation of processing of other regulatory permits – but its most requested add-on was the registration of new

companies in the country and processing of mining permits. Investors were assisted with new company registrations through the Company Registry Officer based in the OSISC. The processing time for registration of most investors' local company was 48 hours.

During the period under review, the Agency received some complaints regarding investments in the country and these were analysed and relevant recommendations made for resolution. These were mostly related to costs of permits and in some instances delays from other statutory bodies. No complaints remained open at the end of the year.

### Monitoring and Evaluation (M&E)

The Monitoring and Evaluation of investors to ensure compliance with the country's regulatory requirements and fulfilment of proposed investment

obligations continued throughout the year, and by December a total of **412** investors had been reviewed – both digitally and physically.

**Monitoring and Evaluation (M&E) Table 8**

Sector	No. of Projects Monitored in 2023
Mining	138
Manufacturing	122
Services	108
Agriculture	13
Tourism	6
Construction	8
Energy	9
Transport	8
Total	412

Of the 412 projects that were monitored through the submission of progress updates during the year, 88 projects were physical visits in Quarter 1 and Quarter 2, and it was established during site visits that 81 of the sites were operational.

There was a reduction in physical visits in the second half of the year, due to the improvement in the M&E processes, which introduced a risk-based approach to site visits where reputable projects and those visited in the recent past may not need to be revisited. Notable challenges cited by the companies monitored included:

- Slow rate of financial investment linked to COVID-19-related delays, leading to delays in starting project operations.
- Repatriation of funds from Zimbabwe
- Long turnaround time in opening bank accounts locally.

- Continued interruption of power supply
- Time-restricted Residence Permits.

Four (4) comprehensive M & E reports for PPP projects were produced and approved by the PPP committee, whilst one (1) SEZ project was visited. Key observations from the projects included the following:

- Slow rate of financial investment by the investors.
- Projects not up to date with compliance and statutory obligations.
- Projects not up to date with project governance compliance issues

**Zero (0)** investment sites or projects were cancelled or closed due to Monitoring and Evaluation reports in the visits in 2023.



Investment  
**Promotion**

The Agency continued to work on creating a positive narrative about the country, through robust marketing strategies to stimulate, attract, nurture, and retain domestic and foreign direct investments. This entailed deploying targeted marketing campaigns to showcase the advantages of the country as a premium investment hub.

The focus for 2023 was on cultivating a positive country image, which is central to our mission and a cornerstone for fostering foreign direct investment (FDI). We aimed to attract investors to our locale and dispel negative perceptions.

The UNCTAD World Investment Report 2023 showed that global FDI flows reached approximately \$1.3 trillion, a 3% uptick from 2022. However, FDI inflows into developing nations experienced a 9% decline, settling at USD\$841 billion. Against this backdrop of global investment changes, the Agency chose to focus on specific sectors which would be most

attractive to investors – without requiring large amounts of financial resources, by focusing on creating new inhouse products through the research and development unit .

The country's potential to emerge as a leading investment destination within emerging markets, coupled with heightened awareness and visibility, was underscored by investors' keen interest through their engagements with ZIDA across various touchpoints. Recognising that attracting investment entails a multifaceted approach necessitating strategic planning, collaboration, and proactive outreach, the Agency actively participated in several local, regional and international initiatives, spanning across all the sectors of the economy. These endeavours aimed to nurture and sustain robust relationships with investors, cementing the country's status as an attractive investment destination.



*These endeavours aimed to nurture and sustain robust relationships with investors, cementing Zimbabwe's status as an attractive investment destination*



# Investment Engagement Initiatives

Strategic local, regional, and international initiatives were pivotal catalysts for engaging prospective investors. During this period, the Agency successfully interacted with 3,000 potential investors, underscoring our proactive approach to outreach and engagement.

The Agency organised and participated in 37 events, each meticulously designed to showcase investment opportunities across diverse sectors. As a result of these concerted efforts, a follow up channel was created with the promotion teams carrying out

direct calls for almost 30% of the initially contacted investors.

## International Events

ZIDA's strategic focus in 2023 was on the mining, energy, tourism, and agriculture sectors. Through active engagement with the international community, the Agency aimed to generate leads to promote investment, facilitate business expansion, enhance Zimbabwe's economic development through the generation of FDI, and confirm the country as a desirable investment destination.



**Annual Investment Meeting**  
8 - 10 May 2023, Abu Dhabi UAE



**The 18<sup>th</sup> Confederation of Indian Industry (CII) EXIM Bank Conclave on India**  
14 - 16 June 2023, New Delhi, India



**Zimbabwe - China Business Forum**  
30 May - 1 June 2023 Beijing, China



**Africa Down Under**  
4 - 6 September 2023, Perth, Australia



UNCTAD World Investment Forum  
16 - 20 October 2023, Abu Dhabi, UAE



6<sup>th</sup> China International Import Expo CIIE  
5 - 10 November 2023, Shanghai, China



World Association of  
Investment Promoter  
Agencies

WAIPA World Investment Conference  
(#WIC23) New Delhi, India  
11 - 14 December 2023.



*The CEO, Tafadzwa Chinamo, speaking at the sidelines of the Africa Down Under forum in Perth, Australia*

# REGIONAL EVENTS

The Agency's participation at regional events, strategically focused on promoting the mining, energy, tourism, and agriculture sectors through active engagement with the African community. In most of the Regional events, the Agency was focused on creating value through learning from its peers and sharing ideas on how to create value for the country through development bodies present at the events. In addition, participation at the events was also used as a benchmarking opportunity as we were able to analyse other IPAs presentations and exhibitions, and use them for comparison and future event options. Additionally, participation at these events fostered increased collaborations with other African countries.

## Engagement with Regional Partners

The Agency hosted the SADC Investment Subcommittee meeting in Victoria Falls from June 20 to 22, 2023. The subcommittee brings together SADC IPAs for peer-to-peer discussions. The primary objective of this gathering was to validate the SADC Investment Climate Scorecard and the Regional Strategy, whose purpose is to guide SADC member states in presenting investment projects at regional and international platforms and thereby enhance their capacity.



**Mining Indaba**  
6 - 9 February 2023 Cape Town,  
South Africa



**Zim-Egypt African Health Medical  
Exhibition and Conference, Cairo,**  
6 - 9 June 2023, Cairo, Egypt



**US - AFRICA Business Summit**  
11 - 14 July 2023, Gaborone Botswana



**Intra Africa Trade Fair**  
9 - 15 November 2023 Cairo, Egypt



# LOCAL EVENTS

The Agency organised and participated in strategic local events as part of the strategy to reinforce relationships with public and private sector stakeholders, and to encourage the participation of the local entities in generating Domestic Direct Investment.



**Zim Russia (Club of Successful Women Russia), 8 February 2023**



**Zimbabwe International Trade FAIR 25 - 29 April 2023, Bulawayo Zimbabwe**



**Masvingo Investment Conference, 11 - 13 April 2023**



**Zimbabwe-Mozambique Business Forum 18 May 2023, Harare Zimbabwe**



**Chinese Hunan Province Presentation 22 May 2023**

## THE CHAMBER OF MINES



## OF ZIMBABWE

**Chamber of Mines 30 May - 2 June 2023**



**Stakeholder Input Forum 13 September 2023**



Zimbabwe National Defence  
University Workshop  
October 2023



IFC Energy Round Table  
13 November 2023



"Where the world meets Africa"

Sangani Hlanganani  
13 October 2023 Bulawayo, Zimbabwe



Matabeleland South Investment  
Conference, 17 - 18 November 2023



CZI Congress  
25 - 27 October 2023



Mashonaland West Investment Conference  
28 November 2023

# Foreign Embassies and Mission Offices Engagements

The Agency interacted with the following Foreign Missions, to share information on Zimbabwean opportunities and how the Embassies can work with the Agency to bring in investors from their respective home countries.

- Embassy of Zimbabwe to Germany
- Embassy of Zimbabwe to Canada
- Embassy of Zimbabwe to UAE
- Embassy of Zimbabwe to Botswana
- Embassy of Zimbabwe to USA
- Embassy of Zimbabwe to Australia
- Embassy of Zimbabwe to China
- Embassy of Malaysia to Zimbabwe
- Embassy of Pakistan to Zimbabwe
- Embassy of Canada to Zimbabwe
- Embassy of the United Kingdom to Zimbabwe
- Embassy of the United States to Zimbabwe
- Embassy of Turkey to Zimbabwe
- Embassy of Kuwait to Zimbabwe
- Embassy of South Korea to Zimbabwe

## Foreign Delegations Hosted by the Agency

- Turkish Delegation
- German Delegation – ICT and Tourism development
- Egyptian Delegation – Fertilizer Production
- British Delegation - Multi-Sectoral but main focus on mining and agriculture
- French Development Agency – collaboration on a French delegation visit to Zimbabwe
- Russian Delegation
- Italian Delegation - Multi-sectorial investment requirements



British Embassy Harare



EMBASSY OF MALAYSIA HARARE

# Stakeholders Engagements In 2023

## Annual Stakeholders Input Forum

The Agency convened its annual Stakeholders Input Forum in September. The collaborative environment brought together over 200 stakeholders from across the country representing public and private sector entities. The forum was pivotal in gathering invaluable insights and perspectives, serving as a cornerstone for shaping ZIDA's strategic focus and priorities for 2024. Through constructive dialogue and engagement, stakeholders formulated actionable strategies to advance Zimbabwe's investment landscape and foster sustainable economic growth. The outcome of the engagement was a shortlist of key focus areas for the Agency to consider when crafting its next strategic plans.

**Increase Proactive Investment Promotion:** Call for ZIDA to adopt a more proactive approach to attracting and promoting investment opportunities across various sectors.

**Enhance Investor Support:** Stakeholder desire for Agency to provide more comprehensive Aftercare support to investors throughout the investment process.

**Expand Stakeholder Engagement:** Inclusivity emerged, with stakeholders urging the Agency to broaden its stakeholder base and actively consider

the needs and interests of a broader range of entities – especially the domestic investment source market.

**Development of Targeted Marketing Campaigns:** The importance of crafting targeted marketing campaigns that will effectively reach and engage potential investors.

**Participation Of ZIDA At Strategic Conferences:** Increasing participation in international investment conferences, focusing on collaborating with international media houses to secure more comprehensive media coverage and present a new and positive narrative on Zimbabwe's investment potential.

**Collaboration on Advocacy with Government Agencies:** Close collaboration with relevant Government agencies to promote Zimbabwe as an attractive investment destination.

**Expansion of Stakeholder Engagements:** Active engagement with a wider spectrum of stakeholders, ensuring their needs and perspectives are incorporated into future strategies.



*Deputy Chief Secretary for Policy Analysis, Coordination and Development Planning in the Office of the President, Mr. Willard Manungo*

# Media Engagement Forum

In May, the Agency hosted a media engagement awareness forum which was intended to provide updates to the media, on the Agency's endeavours to foster investment within the country. The event effectively achieved its objectives through informative presentations and materials shared with attendees.

The forum also aimed to amplify ZIDA's visibility to the broader public by leveraging the media's influential

voice. Media outlets offered complimentary publicity to the Agency by featuring coverage of the event, on their social media platforms and publishing highlighting key achievements from ZIDA's Q1 and Q2 Performance reports. Encouraged by this initiative's success, the Agency intends to keep media engagement event as one of its annual calendar activities.



*Chief Legal Officer, Theresa Muchinguri addressing veteran journalists at the ZIDA Media Engagement Forum*



# Information Education and Communication (IEC) Packs Enhancement

Several materials underwent update and translation as part of the Agency's efforts to broaden outreach and enhance its visibility. This document translation initiative was a successful approach to bolstering the country's and ZIDA's profile among potential investors on a global scale, especially in its largest source market of China.

These translated materials made it easier for non-English speaking markets to appreciate the Agency's value proposition, and they contributed to a deeper understanding of ZIDA offerings among prospective clients and partners. The new products allowed the Agency to create more focused promotion and marketing material, that was aligned with the target audiences' needs and interests.

Translation was done in three languages: Mandarin, Russian, and Portuguese. The translations were shared with the source markets through Zimbabwean foreign missions and Ministerial delegations during their engagements with target countries at exhibitions and conferences.

**Unearthing Potential in Zimbabwe - English**

**Потенциал обнаружения в Зимбабве - Russian**

**津巴布韦的新潜力 - Mandarin**

**Desvendando Potencial no Zimbábue - Portuguese**



**Investimentos Gerais**



**民众私人的合作伙伴 (PPP) 在津巴布韦**

# Investor Profiling

In the fourth quarter, the Agency partnered with Associated Newspapers of Zimbabwe, leveraging on its main publication, the Financial Gazette which has a weekly readership of **2.5million** to unveil an investor profiling column. This collaborative endeavour aims to provide readers with comprehensive insights into various aspects of investment.

The column is helping a lot of readers to understand investors' objectives, goals, and other pertinent information crucial for informed investment and new investment decisions. In addition, the Agency generates its own articles focusing on investment products and services, and the articles are published under the same column. This collaboration will continue in 2024.

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## Arenel's \$26m investment signals optimism

**F**resh and foreign investment in the country has been on the rise, according to a report by the Zimbabwe Investment and Development Authority (ZIDA). The report, released last week, highlights the country's growing appeal to investors, particularly in the manufacturing sector.

ZIDA, the Zimbabwe Investment and Development Authority, has reported a significant increase in foreign direct investment (FDI) inflows into the country. The report, titled 'Zimbabwe Investment and Development Authority Report on FDI Inflows', shows that FDI inflows rose by 15% in the fourth quarter of 2023 compared to the same period in 2022.

The report also notes that the country's growing appeal to investors is largely due to the government's efforts to improve the business environment. This includes the implementation of various reforms aimed at simplifying the investment process and reducing the time and cost of doing business.

ZIDA has been facilitating investments in the manufacturing sector through its One Stop Investment Services Centre. Potential investors are guaranteed efficient licensing processes and aftercare services.

**ZIDA**  
ZIMBABWE INVESTMENT AND DEVELOPMENT AUTHORITY  
Unveiling Potential!

**Investing in Manufacturing**

ZIDA has been facilitating investments in the manufacturing sector through its One Stop Investment Services Centre. Potential investors are guaranteed efficient licensing processes and aftercare services.

**#zimbabweinvestment**  
**#zidainvest**  
**www.zidainvest.com**

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## Gadgets etiquette in relationships

**L**ife has become a lot more convenient with the advent of smartphones and other gadgets. However, the use of these devices has also led to a new set of social norms and etiquettes that govern how we interact with them in our personal and professional lives.

One of the most common examples of this is the 'no phone at the table' rule. While it may seem like a simple rule, it is actually a reflection of a broader social expectation that we should be present and engaged with the people we are dining with. In a similar vein, there is a growing emphasis on 'digital detox' during family time, where individuals are encouraged to put their phones away to spend quality time with their loved ones.

Another area where gadget etiquette is becoming increasingly important is in the workplace. The constant use of mobile devices during work hours can be distracting and unprofessional. Many companies now have policies in place that restrict the use of personal devices during work hours, and employees are expected to adhere to these policies.

Overall, the key to successful gadget etiquette is to be mindful of the people you are interacting with and to use your devices in a way that is respectful and appropriate to the context. By following these simple guidelines, you can ensure that your use of technology enhances your relationships rather than hinders them.

**Through Leadership**  
**DETTA MURUMUSIDZI**

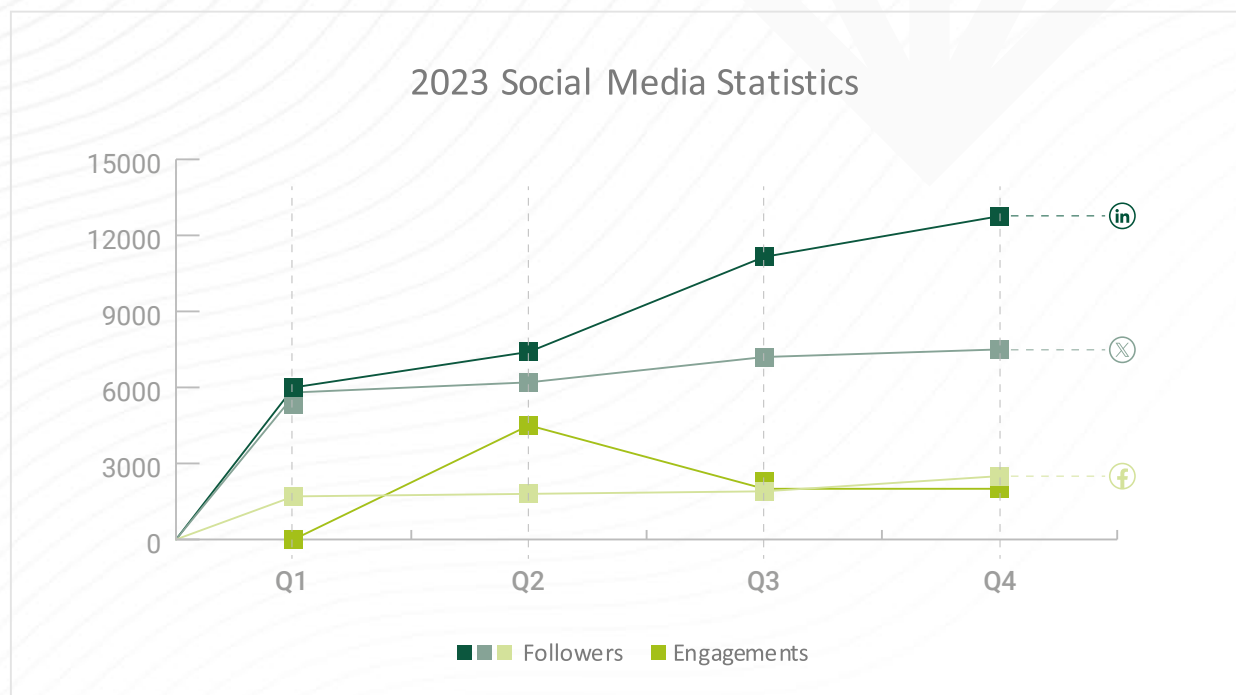
**STOCK MARKET PERFORMANCE REPORT** **DATVEST**  
For the week ending 20 March 2024

Symbol	Company Name	Current Price	Change	% Change
ZSE:0000000000	Zimbabwe Stock Exchange	123.45	+5.67	+4.8%
ZSE:0000000001	Bank of Zimbabwe	45.67	+2.34	+5.3%
ZSE:0000000002	Industrial Bank of Zimbabwe	34.56	+1.23	+3.6%
ZSE:0000000003	Commercial Bank of Zimbabwe	23.45	+0.98	+4.2%
ZSE:0000000004	Finance Bank of Zimbabwe	12.34	+0.56	+4.5%
ZSE:0000000005	Insurance Company of Zimbabwe	56.78	+3.21	+5.7%
ZSE:0000000006	Real Estate Development Company	67.89	+4.32	+6.4%
ZSE:0000000007	Manufacturing Company	78.90	+5.43	+6.9%
ZSE:0000000008	Retail Company	89.01	+6.54	+7.4%
ZSE:0000000009	Services Company	90.12	+7.65	+8.5%
ZSE:0000000010	Technology Company	01.23	+8.76	+9.6%

**Partners for Success** **cbzHoldings**

# Digital Marketing Initiatives

## Social Media



### Followers Base and Platform Reach

The Agency's digital footprint continued to grow over the year, with LinkedIn showing the highest growth over the 12-month period. LinkedIn led with the most extensive follower base, at 13,991. The platform had the largest increase in followers in Quarter 2 of the year – which the Agency attributed to interest and curiosity from investors about the country, during the election period. Enquiries on this platform were mostly from FDI facilitation agencies and consultants, looking to partner the Agency by providing it with data and services. Additionally, the launch of the Matchmaking platforms at the beginning of quarter 3 showed an increase in followers on LinkedIn as mining houses and mining publications re-posted the Agency's posts, about the new product. Interest on the platform also came through from tourism sector players who were looking for more information about the Agency's new products.

The X (former Twitter) platform ended the year with **7 700** followers. While its growth was not as high as LinkedIn – it still followed the same pattern with interest on the Agency's page growing during the election period – but remaining steady towards the end of the year. The Agency recognised the fact that its most performing social media platform is LinkedIn, and set up the account to be a Premium account, which allowed it to search and view other parties and connect with easier navigation. Facebook remained in its third position with a year-end following of **2 100**, and the Agency acknowledges that it may likely not have services or products to cater to this demographic or engagement style. It was noted that the most interactions on Facebook occurred during discussions on diaspora investments into the country, and part of the research initiatives for the year were looking into the development of such diaspora investment products.

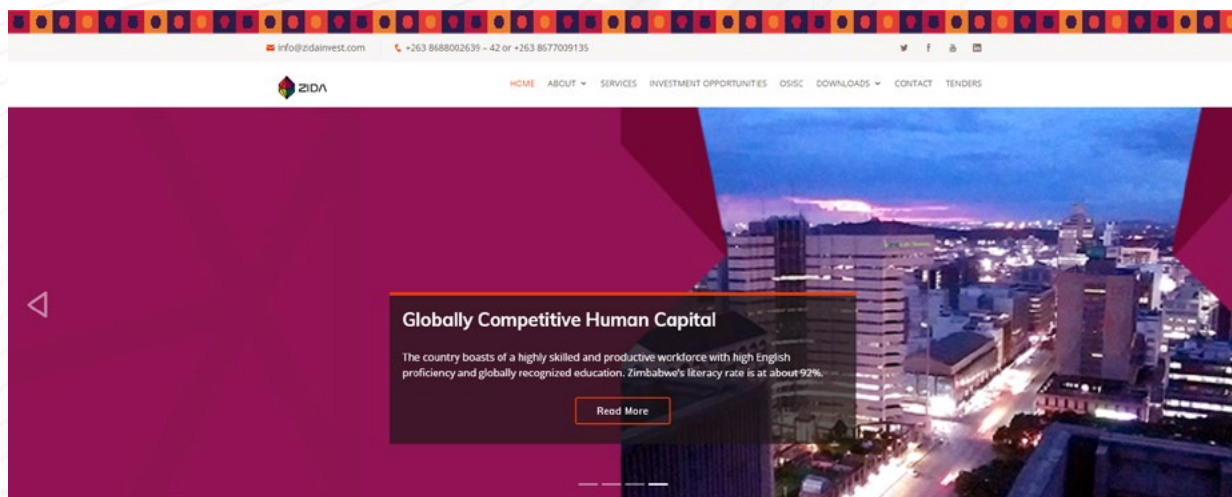


### Engagement Rates and Audience Interaction

While follower count serves as a metric for brand visibility, engagement rates offer a deeper insight into audience interaction. Of our social media platforms, Facebook stood out with the highest engagement rate of **95.24%**. This high rate of engagement however, was not reflective of the Agency's target market, as most of the enquiries were reactions to a post, and not comments or requests for more information.

Most insightful and lead generating engagements were on LinkedIn – and the Agency followed up on these with information packs shared, and in some cases, meetings set up with the enquirer. The Agency also increased its own following of other LinkedIn members – mostly to international development agencies and media houses focusing on mining, renewable energy, agriculture and carbon credits.

### Agency Website Upgrade



*ZIDA website look during upgrade in 2023*

The Agency collaborated closely with the International Finance Corporation (IFC) in the upgrade of the website to elevate investor and stakeholders' online experiences, and ensure uninterrupted access to the site, enhanced navigation, improved functionality, and enriched content for the Agency's platform users. The work commenced in April, and by the end of the year the website was at 99% ready for relaunch with final touches being made on streamlining the changes to the licencing processes.

The website's re-launch and digitalisation of selected licencing processes was expected to improve the Agency's delivery timelines – specifically the

reduction in time to process licence applications from the January time of 21 days to the December time of 7 days.

During the event, the Agency organised a full-day peer-to-peer learning session highlighting investment projects in Victoria Falls. This session provided an invaluable opportunity for ZIDA to learn from its counterparts about their investment promotion and facilitation approaches. By exchanging experiences and best practices, the meeting enhanced the Agency's technical skills and data capturing capabilities.

### Matchmaking Campaigns

The Agency successfully launched the first in a series of matchmaking initiatives by introducing its Mining Claims Matchmaking Platform, in August. This innovative platform allows claim holders to upload their claims, detailing essential attributes such as size, location, and mineral potential. Registered investors are then able to peruse these listings and engage with ZIDA to facilitate connections with claim holders. The investors are assured of the authenticity and quality of the information, as the

Agency undertakes a thorough analysis of all claims uploaded on the platform.

In October, the Agency followed up with the launch of the Tourism Investment Matchmaking Platform, at the Sanganai Hlanganani Tourism Expo in Bulawayo. As with the Mining platform, both investors and tourism promoters can register on the platform, providing pertinent details such as contact information, investment objectives, and specific interests.



*The ZIDA MATCHmaking Launch Team during the Sanganai Hlanganani Tourism Expo in Bulawayo, October 2023*



Research  
& Business  
**Development**

In 2023, the Agency established and equipped a Business Development Department in line with its strategic focus, and the recognition that research is pivotal in informing project and investment development and facilitating promotion efforts. The primary focus of the Agency when undertaking research is on ensuring that the information shared with investors is real and accurate and that it allows an investor to make decisions using the Agency's information packs.

### Research

In 2023, the Agency set out to develop papers focusing

on two key value chains which are agriculture and mining. Significant progress was made over the year as five agriculture-based value chains were analysed and designed and subsequently integrated into an agriculture prospectus. The documents outline opportunities within Zimbabwe's soy, leather, dairy, sugar, and cotton to clothing value chains. Additionally, efforts were directed towards developing prospectuses for the mining and energy sectors, resulting in the development and consolidation of corresponding value chains under the Mining and Energy Prospectus for the year.



# Project Development Initiatives

## Project Concept Notes

Throughout the year, the Agency received project proposals from the private and public sectors for evaluation. During the latter half of the year, 20 Project Concept Notes (PCNs) were received and assessed. Following a thorough review, some of the projects were deemed appropriate for consideration under Public-Private Partnerships (PPPs), while others were identified and recommended for promotion as General Investment Opportunities.

## New Products

The process maps and ideas behind the matchmaking platform were crafted through the research undertaken on the mining sector. The development of new products will continue with

the Agency utilising data and information obtained from FDI data sources and the respective Ministries, Provinces, Departments and Agencies.

## Investment Prospectus

In 2023, the Agency developed three (3) investment prospectuses, each targeting distinct sectors of interest. These prospectuses comprehensively outline investment opportunities in mining and energy, agriculture and the City of Victoria Falls. The prospectuses serve as invaluable resources for prospective investors seeking to explore and capitalise on opportunities in these thriving industries.



*ZIDA providing PPPs training to MDAs and Private Sector players in Harare, March 2023*

## Public Private Partnerships

The Agency successfully appraised, analysed and made recommendations to the Cabinet Committee responsible for PPPs, on five (5) proposals, three (3)

feasibility studies, and one (1) concession agreement. Table 10 is an overview of the PPPs appraised during the year, shedding light on the scope and diversity of projects evaluated by the Agency.

**Table 9: Appraised PPP Projects**

Category	Project Description	Project Promoter	Estimated Project Value (US\$M)
<b>Proposals</b>	Rehabilitation of Old Gwanda Road	Ministry of Transport and Infrastructural Development	110
	Resuscitation of Sanyati Copper Mine	Zimbabwe Mining Development Corporation	Under Review
	Manufacturing of GRP Pipes	Zimbabwe National Water Authority	16.5
	Electric Cable Manufacturing Plant (ZENT and Office of Sheikh Al Qassimi)	ZESA Enterprises (Private) Limited	54
	Graphite Contract Mining at Linx Mine	Zimbabwe Mining Development Corporation	Under Review
<b>Feasibility Studies</b>	Upgrade and Modernisation of Chirundu Border Post	Ministry of Transport and Infrastructural Development	60
	Electric Cable Manufacturing Plant	ZESA Enterprises (Private) Limited	54
	Deployment of SMART City Projects	TelOne (Private) Limited	42.4
<b>Concession Agreements</b>	Construction of the new Tokwe-Bikita Powerline and Substation	Zimbabwe Electricity Transmission and Distribution Company (ZETDC)	30.5

### Special Economic Zones

The Agency focused on streamlining its SEZ regulatory framework for the first half of the year, in order to ensure that its processes for appraising, designating, and regulating SEZs were aligned. By December, the Agency had appraised eight (8) SEZ applications, granting designation to three (3) of the applicants, with one designation notice being

formally published. Two (2) SEZ investor licenses were issued to facilitate further development within these designated zones. Table 10 outlines the three SEZs approved for designation in 2023, along with the corresponding projected investment values, providing a glimpse into the anticipated economic impact of these planned developments.

**Table 10: SEZs Approved for Designation**

SEZ Type	SEZ Owner	Projected investment value
Agro-Industrial Park	Goromonzi Agro-Industrial Company (Private) Limited	16.9
SEZ - Ethanol Production	Green Fuel (Private) Limited	961.0
SEZ - Power and Metallurgical	Xintai Resources (Private) Limited	1,350.0
<b>Total</b>		<b>2,327.9</b>



Strategic  
Supporting  
**Initiatives**

### Human Capital Development

The Agency focused on ensuring that all its operational divisions were adequately resourced, by undertaking an intensive recruitment drive for the first 6 months of the year. The focus was on attracting new and skilled staff for the newly created divisions and units, as the Agency was only at 45% of its optimum human resource level in January, and putting in place a competitive Employee Value Proposition (EVP). Working with the IFC, under the ZIPP Programme, the Agency delivered a number of Learning and Development programs that addressed training needs, mostly focusing on ensuring that the employees were up to date with the latest technological developments, as the Agency moved to digitalise all its processes.

In addition, the Agency focused on activating its performance management system throughout its structures, and encouraged communication and employee engagement, to achieve goal congruence amongst the employees.

### New Agency Organogram & Capacitation of the Agency

As part of the Agency's growth strategy, the Agency revised the structure of the organogram, resulting in a total required headcount of eighty (86) positions. In January, there were a total of thirty-six (36) employees in January 2023 (excluding Secondees and Interns), with the Agency operating with a staffing level of 45%. To address the gap, a phased recruitment process was initiated in the first quarter and carried through to completion in the fourth quarter with the appointment of an Executive to lead the Business Development Unit. A total of 40 positions were filled to address critical staffing and skills requirements.

All new employees underwent a structured Induction and Onboarding process, to ensure a smooth transition and integration into the Agency, with a focus ensuring the employees received insight into the Agency's culture, values, policies, and procedures, facilitating their seamless assimilation into the workplace environment.

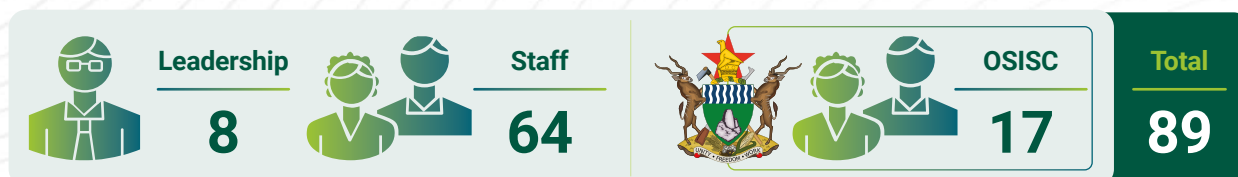


**Delivery of Learning and Development Programs**

*Vertical Momentum Trainers taking middle management through the Lead Momentum Steps*



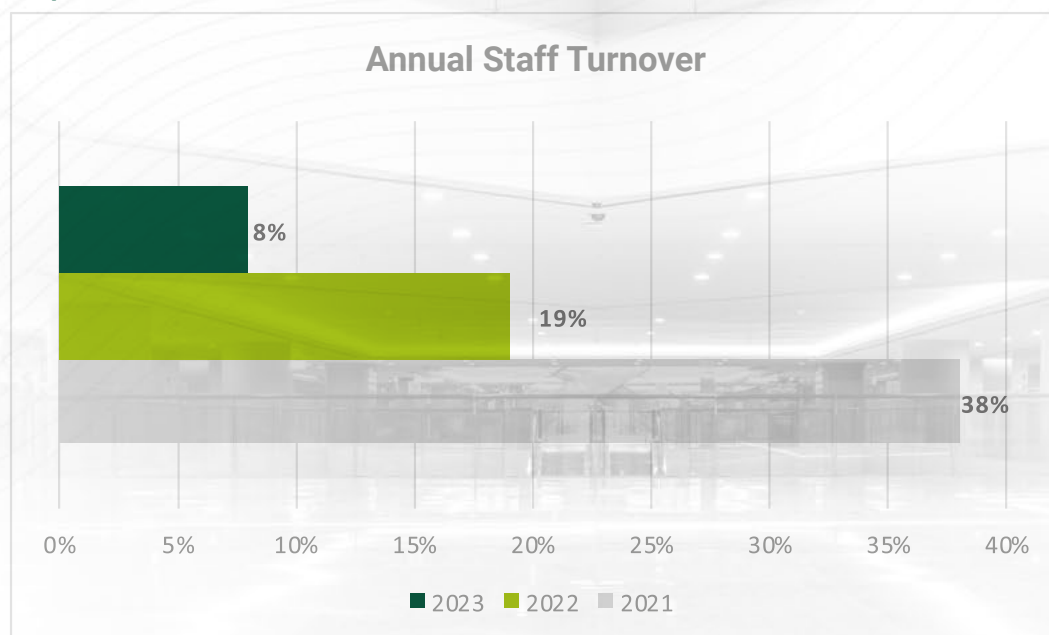
### Illustration 11: Staffing Levels December 2023



#### Notes

- Female employees accounted for 42% of the overall staff at the Agency level and 29% at the Executive Committee level, underscoring ZIDA's commitment to fostering diversity and gender representation.
- ZIDA achieved its highest staff retention rate in three years, 92% in 2023. The staff turnover rate for the year was 8%.
- The Agency remains dedicated to implementing robust staff retention strategies to retain and motivate talent and ensure continuity and stability within the organisation.
- Graph 1 illustrates the trend of staff turnover over the past three years, providing insights into the organisation's efforts to effectively manage and maintain its workforce.

**Graph 1: Three-Year Staff Turnover Trend**



### **Performance Management**

As part of its fulfilment of its employees' development to enable them to better plan and execute their tasks – the Agency implemented performance contracts for its Executive management, and cascaded this down to all Agency employees, ensuring that every team member understood their roles and responsibilities and how they directly contributed to achieving corporate goals.

### **Team Building**

In 2023, the Agency designed and activated a structured team-building programme which was run

for the whole year – as part of its goal to foster a cohesive team with strong bonds, shared values, and unified goals. The team-building programs provided an invaluable opportunity for existing and new staff members to interact, collaborate, and develop a deeper understanding of each other's roles and perspectives. By engaging in various team-building activities and discussions, employees-built trust, enhanced communication, and reinforced a sense of unity within the Agency.



*Staff wellness training during the Team Building session*

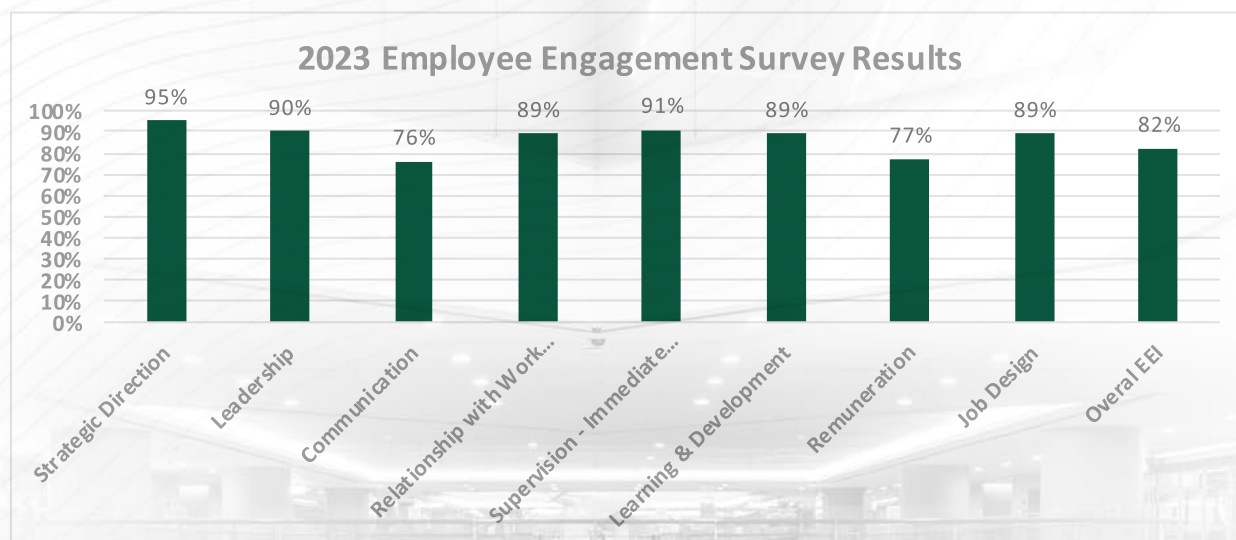
### Employee Engagement Survey

In December 2023, the Agency conducted its annual employee engagement survey, facilitated by an independent consultant. The survey achieved an impressive response rate of **89%**, exceeding the typical range of 25% to 60% for employee survey response rates. The overall Employee Engagement Index (EEI) remained steady at 82%, mirroring the previous year's percentage. This consistent EEI signifies high employee engagement and

commitment within the organisation. ZIDA's target EEI of 75% and above was comfortably surpassed.

Graph 2 illustrates the survey results across various dimensions measured, providing a comprehensive overview of employee perceptions and sentiments culminating in the overall EEI. Such insights serve as valuable benchmarks for ZIDA's continuous enhancement of its workplace culture and employee experience.

Graph 2: 2023 Employee Engagement Survey Results

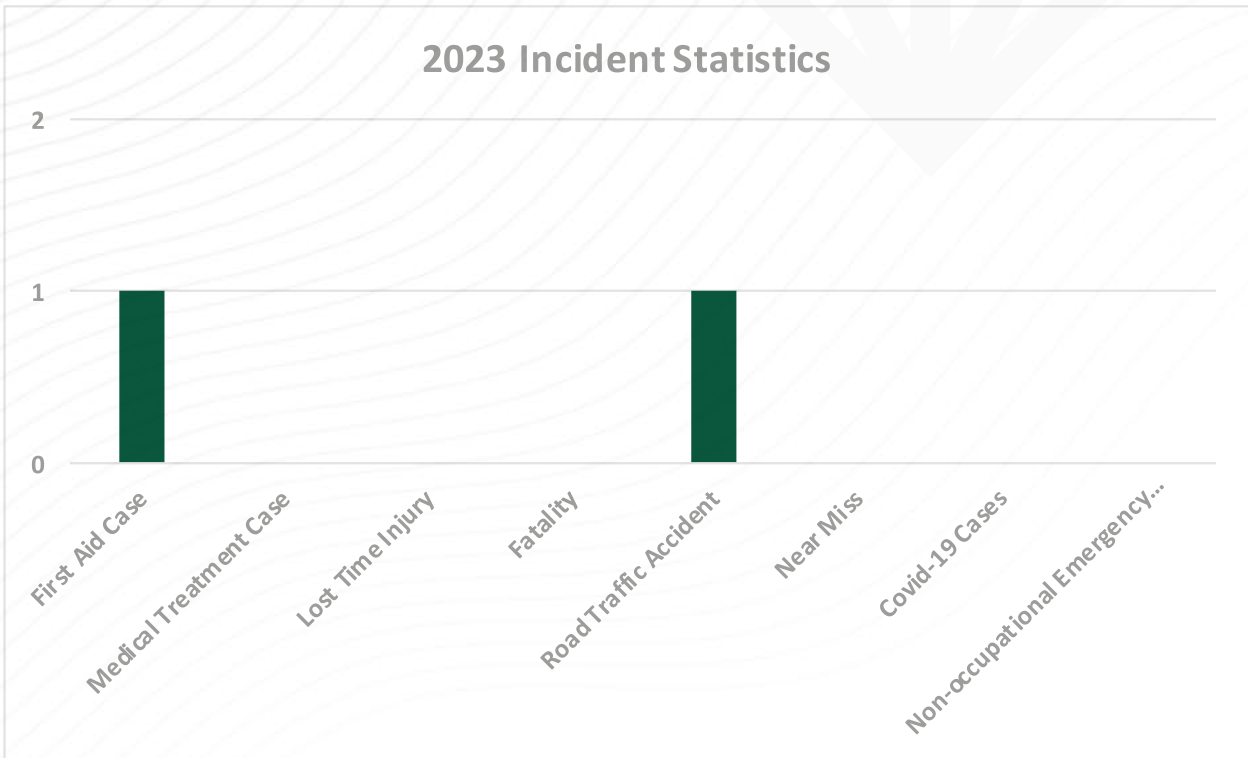


### Health, Safety and Wellness

The Agency upheld a safe and healthy working environment throughout the year, resulting in only two recorded minor incidents over the twelve months. This

steadfast commitment to maintaining workplace safety underscores the Agency's dedication to the well-being and welfare of its employees.

**Graph 3: 2023 Safety and Health Statistics**



**Learning and Development**

Throughout the year, the Agency prioritised learning and development initiatives tailored to address identified training needs and align them with organisational strategic objectives. A total of 6,877 training hours were dedicated to enhancing employee skills and capabilities, averaging approximately nine days per employee. In 2023, each staff member participated in a minimum of three training programs.

Essential Learning and Development programs conducted included:

- ERP End-user training

- Lead Generation
- Investor Aftercare
- Regulation of SEZs
- PPPs and Project Financing
- Inquiries system training
- Investor Portal training
- Performance Management
- Project Financing
- Management and Leadership development programs
- Grooming and Etiquette
- Artificial Intelligence

# Capacity Strengthening Program for Investment Promotion

## Workshop # 4

### RETENTION AND EXPANSION PHASE

29<sup>TH</sup> AUGUST 2023



ZIDA



IFC

International  
Finance Corporation  
WORLD BANK GROUP

*Creating Markets, Creating Opportunities*

#### **Zimbabwe Investment Policy and Promotion Program (World Bank/IFC – ZIDA Partnership)**

Part of the Agency's capacity development was undertaken under the ZIPPP programme in collaboration and partnership. IFC continued to support ZIDA's operationalisation and capacity development in the 2<sup>nd</sup> year of the program. Through this engagement IFC provided Technical and Advisory support for policy/regulatory reform for SEZs for investment entry. Under this component, IFC's focused on finalisation of the updated SEZ regulatory framework through drafting and promulgation of critical parts of a policy and regulatory framework. IFC also provided technical and advisory support for institutional development and strengthening of ZIDA Staff, through extensive capacity development in the areas of investment promotion, generation and retention.

Outcomes from this milestone collaboration include an improved policy and regulatory framework for

Special Economic Zones (SEZs), strengthened investor services, improved investment promotion and retention capacity and a pipeline of investments in determined sectors, including the agribusiness and renewable energy sectors. During the year, the Agency benefitted from the World Bank/IFC partnership through capacity building in the following areas:

- Enquiry Management
- Monitoring & Evaluation and Licence Renewal procedures
- IPA Website design
- Renewables and Value Chains
- Drafting of Standard Operating Procedures (SOPs)
- Development and review of General Investment regulations together with the Legal department, resulting in the promulgation of the rules on 14 December 2023
- Stakeholder engagements sponsored and attended by IFC



*Investment Promotion training by IFC Team*

IFC ran a series of workshops in the year's second half, which covered the breadth of Investment Promotion Agency (IPA) activities. The workshops were:

- FDI Fundamentals and Effective Investment Promotion

- The Attraction Phase
- The Entry and Establishment Phase
- Investor Retention and Expansion
- Advocacy



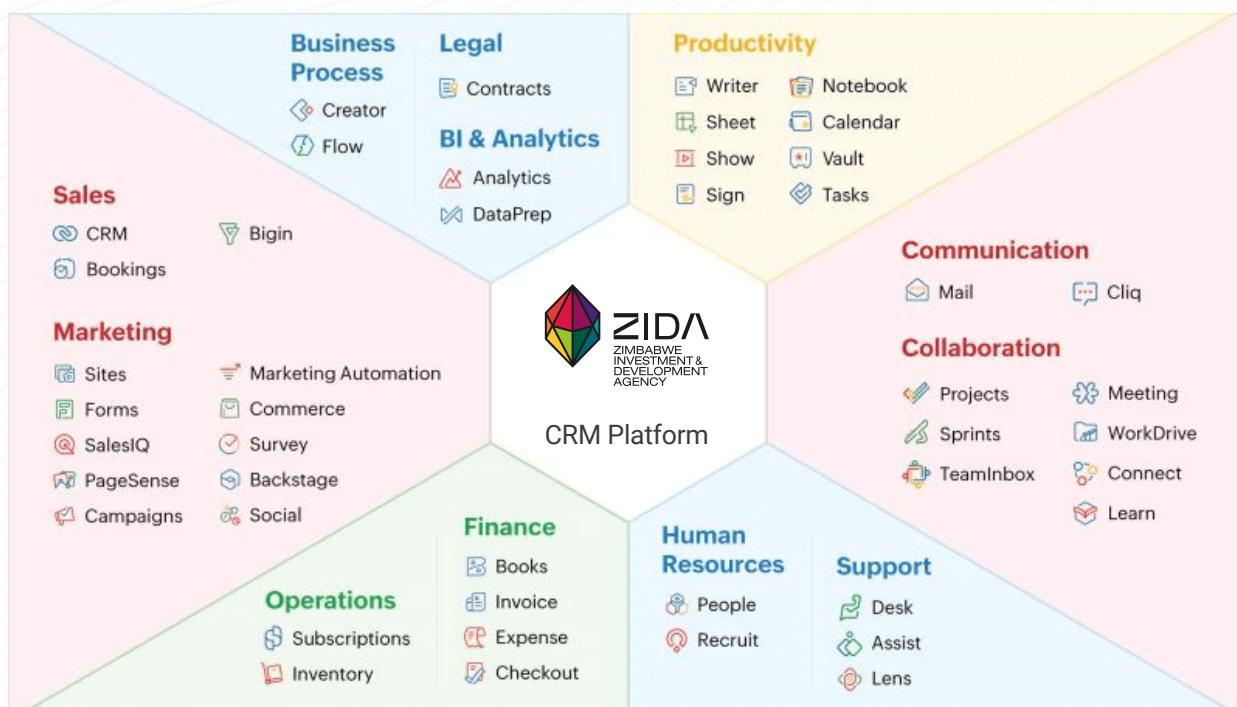
*IFC ran a series of workshops in the year's second half*



Information and  
Communication  
Technology  
**(ICT)**

The Agency's digital transformation journey, marked by the implementation and successful go-live of the ZOHO ERP system on the 1<sup>st</sup> of April, was one of its most impactful initiatives of the year. The activation of the ERP system was a significant milestone in the Agency's journey to make doing business easier for investors, with a shift in ZIDA's operations from manual paper-based processes, to streamlined digital workflows, and an almost paperless system.

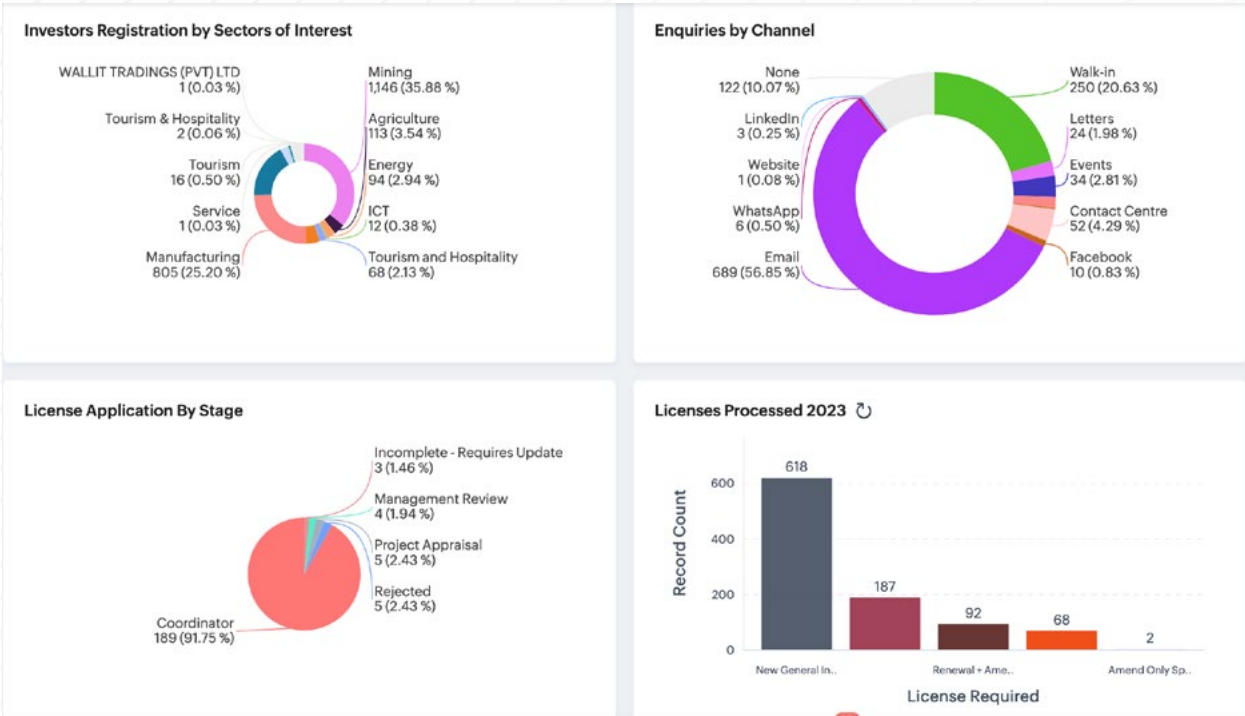
The new CRM platform is an all-encompassing suite of functionalities, boasting over 48 integrated modules designed to address various aspects of ZIDA's operations. It offers extensive capabilities and seamless integration, showcasing its potential to enhance efficiency, improve decision-making, and drive innovation across the organisation.



The Agency focused on streamlining the licensing and enquiry handling processes – which resulted in a transformative shift in licensing timelines. Notably, the licensing process experienced a remarkable reduction in processing time, dropping from over **twenty-one (21) days** to an average of **seven (7) days**, only three months after the ZOHO CRM was activated. This was further reduced to an average of five (5) days by December.

The system allows the Agency to effectively track daily activity of staff through tools for monitoring and managing the licensing and enquiry handling processes, enabling proactive decision-making and ensuring swift and seamless task execution.





Additional work was done on developing an investor self-service portal, which was created to allow investors to submit license applications, send enquiries, and view project progress reports online from anywhere in the world. The portal development was at 99% complete in December with remaining work focusing on aligning the Agency's website upgrades to the new digital systems.

Individual departmental activity trackers were developed under the CRM. These allow for the tracking of tasks and assignments internally. Overall,

the implementation of Zoho ERP in 2023 resulted in 75% of the Agency's operations being automated, increased efficiencies and quick turnaround times for transaction processing.

The integration and digitalisation of the Agency systems is expected to continue, with a focus on automation of the Agency Registry office system integration with other MDAs, introduction of new AI based products, and digitalisation of key processes such as Aftercare and Monitoring & Evaluation.



ZIDA in the  
**Community**

### **National Clean Up Campaign**

The Agency continued to actively engage with local communities in areas where it had a footprint or where its investors were located .

The Agency took part in 12 of the monthly national clean-up campaigns – effectively registering a 100% participation and contribution towards the promotion of a cleaner, healthier living environment for all citizens.

### **Lectures for Diplomatic Students**

The Ministry of Foreign Affairs and International Trade's Training Department plays a critical role in

equipping diplomats with the necessary skillsets for success.

One noteworthy program offered annually is a lecture on Zimbabwe's investment climate and facilitation process, which the Agency participated in, and shared investment promotion and facilitation processes and information, that will enable the diplomats to confidently engage with current and potential investors, enhancing their ability to promote Zimbabwe's investment opportunities.



*ZIDA Staff sweeping at the Africa Unity Square Gardens*

## Familiarisation Tours for Business Studies Students



*Chief Investment Promotion Officer Silibaziso Chizwina speaking at the Familiarisation Tour for Petra School Business Studies Students*

One of the notable highlights of ZIDA's community engagement endeavours was hosting Advanced Level students from Petra High School to partake in an educational program focused on investment and development. 30 students from Petra attended the session, along with their teachers.

### **ZIDA Public Lectures**

In a noteworthy event, the Zimbabwe National Defence University students attended a public lecture organised by the Agency, which covered the investment landscape in Zimbabwe. The lecture provided a comprehensive overview of the country's investment opportunities, challenges, and strategies

for sustainable development. By engaging with academia and thought leaders, the Agency aims to enrich the understanding of investment dynamics among future leaders across diverse sectors.

Looking ahead, ZIDA remains committed to furthering its impact in communities and empowering future generations to drive sustainable growth and prosperity in Zimbabwe. Through continued collaboration, education, and dialogue, the Agency strives to create an environment conducive to investment, innovation, and inclusive development.

# 2023 In Pictures





# ZIMBABWE INVESTMENT AND DEVELOPMENT AGENCY

## Financial Statements

### INDEX TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2023

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# Incorporation and Nature Of Operations

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The Zimbabwe Investment and Development Agency (“ZIDA” or “the Agency”) was established on 7 February 2020 in terms of the Zimbabwe Investment and Development Agency Act [Chapter 14:38]. ZIDA is an investment promotion Agency responsible for the promotion and facilitation of both local and foreign investment in the country. ZIDA was established to provide a One Stop Investment Services Centre (OSISC).

## Advisory Board

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Busisa Moyo	- <b>Chairman</b>
Dr. Sylvia J. Utete-Masango	- <b>Vice Chairperson</b>
Dr. Tobias Takavarasha	
D. Eng. Michael J. Tumbare	
Nancy Samuriwo	
Sithandile Ngwenya	
Moosa H. Allana	
Tariro Ndebele	
Kenneth Schofield	
Tafadzwa Chinamo	- <b>Chief Executive Officer</b>

**REGISTERED OFFICE**

First Floor, ZB Life Towers  
77 Jason Moyo Avenue  
Corner Jason Moyo Avenue / Sam Nujoma Street  
HARARE

**AUDITORS**

BDO Zimbabwe Chartered Accountants  
3 Baines Avenue  
HARARE

**MAIN BANKERS**

CBZ Bank Limited  
60 Kwame Nkrumah Avenue  
HARARE

Ecobank Zimbabwe Limited  
Nelson Mandela Avenue  
HARARE





# Chief Executive Officer's Responsibility Statement

The Chief Executive Officer (CEO) is required by the Zimbabwe Investment Development Agency Act (Chapter 14:38) to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the Chief Executive Officer's responsibility to ensure that the financial statements fairly present the state of affairs of ZIDA at the end of the financial year and the results of its operations and cash flows for the year then ended.

The Chief Executive Officer acknowledges that s/he is ultimately responsible for the system of internal financial controls established by the Agency and places considerable importance on maintaining a strong control environment. To enable the Agency to meet these responsibilities, the Chief Executive Officer sets standards for internal control aimed at reducing the risk of fraud or error in a cost-effective manner.

The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Agency and all employees are required to maintain the highest ethical standards in ensuring the Agency business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Agency is on identifying, assessing, managing, and monitoring all known forms of risk across the Agency.

While operating risk cannot be fully eliminated, the Agency endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Chief Executive Officer is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, but not absolute, assurance against material misstatement or loss.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is either intent to liquidate the Agency or to cease operations, or there is no realistic alternative but to do so. The Chief Executive Officer believes that the preparation of these financial statements on a going concern is appropriate.

The external auditors are responsible for independently auditing and reporting on the Agency financial statements. The financial statements and related notes have been audited by the Agency's external auditors and their report is presented on pages 73 to 75.

The financial statements and the related notes set out on pages 76 to 107, were approved by the Chief Executive Officer (CEO) who has signed them on behalf of the Agency:



**TAFADZWA CHINAMO**  
**CHIEF EXECUTIVE OFFICER**

**16 May 2024**

## REPORT OF THE INDEPENDENT AUDITORS

### TO THE OFFICE OF THE PRESIDENT AND CABINET

### ZIMBABWE INVESTMENT AND DEVELOPMENT AGENCY (ZIDA)

#### Adverse Opinion

We have audited the financial statements of **ZIMBABWE INVESTMENT DEVELOPMENT AGENCY** set out on pages 76 to 107, which comprise the statement of financial position as at 31 December 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report the accompanying financial statements do not present fairly, the financial position of **ZIMBABWE INVESTMENT DEVELOPMENT AGENCY** as at 31 December 2023, its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

#### Basis for Adverse Opinion

**a) Non-compliance with International Public Sector Accounting Standard 46: "Measurement"**

**(i) Valuation of property & equipment and investment property**

The Agency's property & equipment and investment property was valued at ZWL20 408 052 124 and ZWL11 548 102 287 as at 31 December 2023 respectively. In the period under review, the Agency engaged an external valuer who valued property & equipment and investment property in USD and converted them to ZWL using the Reserve Bank of Zimbabwe auction exchange rates (RBZ rates).

The use of RBZ rates might not give a reasonable indication of fair value as defined by International Public Sector Accounting Standard 46, "Measurement", (IPSAS 46). IPSAS 46 paragraph 6 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In the current environment, it is not likely that the ZWL price derived from translating the USD value at the RBZ rates would be the price at which a ZWL denominated transaction would occur.

Accordingly, we could not satisfy ourselves as to the valuation and accuracy of investment property, property and equipment and revaluation surplus.

**b) Non-compliance with International Public Sector Accounting Standard 4 (IPSAS 4), The Effects of Changes in Foreign Exchange Rates**

The Organisation has not complied with the requirements of International Public Sector Accounting Standard 4 (IPSAS 4), The Effects of Changes in Foreign Exchange Rates in the determination of its functional currency. The functional currency of the changed from ZWL to USD during the year based on the indicators stated in IPSAS 4 paragraphs 11 to 13. The Organisation delayed effecting the change in the functional currency and continued to record transactions in ZWL. This constitutes a departure from IPSAS 4 as the conditions for a change in functional currency had been met. The effect of the non-compliance with IPSAS 4 is pervasive and material to the financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Agency in accordance with the International Ethical Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) together with other ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

### **Key Audit Matters**

Key audit matters are those matters that in our professional judgment were of most significance in our audit of financial statements. Except for the matters described in the Basis for Adverse of Opinion section, we have determined that there were no other key audit matters to communicate in our report.

### **Other information**

The Chief Executive Officer is responsible for other information. The other information is included in the Zimbabwe Investment and Development Agency Annual Report for the financial year ended 31 December 2023 and does not include the Chief Executive Officer's responsibility statement, Auditor's report and financial statements which are on pages 73 to 107. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on other information that we have obtained prior to the date of the Auditor's Report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the CEO for the financial statements**

The Chief Executive Officer (CEO) is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statement and related financial information included in this report. It is the Chief Executive Officer's responsibility to ensure that financial statements fairly present the state of affairs of the Agency at the end of the financial year and the results of its operations and cash flows for the year then ended.

The Chief Executive Officer acknowledges that he is ultimately responsible for the system of internal financial controls established by the Agency and places considerable importance on maintaining a strong control environment. To enable the Agency to meet these responsibilities, the Chief Executive Officer sets standards for internal control aimed at reducing the risk of fraud or error in a cost-effective manner.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Executive Officer intends to liquidate the Agency or cease operations, or has no realistic alternative but to do so.

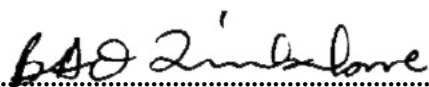
### **Auditor's responsibilities for the audit of the financial statements**

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Auditing Standards (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with International Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentation or the override of the internal controls.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the school`s internal controls.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the board.
- Conclude on the appropriateness of the management board`s use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the school`s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor`s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor`s report. However, future events or conditions may cause the school to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the management board with a statement that we have complied with relevant ethical requirements regarding independence and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

  
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**BDO Zimbabwe Chartered Accountants  
Registered Public Auditors**

**Davison Madhigi CA (Z)  
Partner  
Registered Public Auditor  
PAAB Registration Number: 0610**

**16 May 2024**

## STATEMENT OF FINANCIAL POSITION

### AS AT 31 DECEMBER 2023

	Notes	Inflation Adjusted		Historical Cost	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	11	8 286 663 133	4 479 899 902	8 286 663 133	932 268 670
Trade and other receivables	10	433 065 728	2 744 196 779	420 467 796	553 803 536
Inventories	9	148 491 708	34 201 411	95 821 728	6 948 938
<b>Total current assets</b>		<b>8 868 220 569</b>	<b>7 258 298 092</b>	<b>8 802 952 657</b>	<b>1 493 021 144</b>
<b>Non-current assets classified as held for sale</b>					
	6.1	<b>10 381 410 436</b>	<b>-</b>	<b>10 381 410 436</b>	<b>-</b>
<b>Non-current assets</b>					
Investment property	6	11 548 102 287	7 724 158 644	11 548 102 287	1 607 400 000
Property, plant and equipment	7	20 408 052 124	5 345 804 458	20 408 052 124	1 112 463 697
Intangible assets	7.1	402 636 071	-	261 734 795	-
Right of use asset	8	3 834 586 538	1 220 577 753	3 662 265 922	17 434 251
<b>Total non-current assets</b>		<b>36 193 377 020</b>	<b>14 290 540 855</b>	<b>35 880 155 128</b>	<b>2 737 297 948</b>
<b>Total assets</b>		<b>55 443 008 025</b>	<b>21 548 838 947</b>	<b>55 064 518 221</b>	<b>4 230 319 092</b>
<b>RESERVES AND LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	12	1 697 890 308	3 599 382 778	1 697 890 308	749 032 761
Provisions		128 382 134	134 571 680	128 382 134	28 004 412
Employee benefit obligation		1 526 359 995	312 071 163	1 526 359 995	64 942 114
Lease liability	8.1.3	1 723 811 338	932 199 552	1 723 811 338	193 991 038
<b>Total current liabilities</b>		<b>5 076 443 775</b>	<b>4 978 225 173</b>	<b>5 076 443 775</b>	<b>1 035 970 325</b>
<b>Non-current liabilities</b>					
Lease liability	8.1.3	2 052 111 386	-	2 052 111 386	-
<b>Total liabilities</b>		<b>7 128 555 161</b>	<b>4 978 225 173</b>	<b>7 128 555 161</b>	<b>1 035 970 325</b>
<b>Net assets</b>		<b>48 314 452 864</b>	<b>16 570 613 774</b>	<b>47 935 963 060</b>	<b>3 194 348 767</b>
<b>NET ASSETS / EQUITY</b>					
Accumulated surpluses		16 497 477 832	11 711 459 056	7 713 957 366	1 056 019 989
Revaluation reserve		31 816 975 032	4 859 154 718	40 222 005 694	2 138 328 778
<b>Total reserves</b>		<b>48 314 452 864</b>	<b>16 570 613 774</b>	<b>47 935 963 060</b>	<b>3 194 348 767</b>



Chief Executive Officer  
Mr Tafadzwa Chinamo  
16 May 2024

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Inflation Adjusted		Historical Cost	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
<b>Revenue without binding arrangements</b>					
Government grant		10 790 435 301	11 348 412 578	7 278 677 003	1 891 483 346
Net foreign exchange gains		6 307 501 173	1 535 236 085	5 940 639 697	319 499 176
<b>Revenue with binding arrangements</b>					
Revenue from compliance obligations satisfied at a point in time	13	25 213 896 670	6 038 484 139	15 519 558 984	998 663 446
Other operating income	14	1 581 644 964	681 508 666	958 246 416	105 777 339
<b>Total revenue</b>		<b>43 893 478 108</b>	<b>19 603 641 468</b>	<b>29 697 122 100</b>	<b>3 315 423 307</b>
<b>Expenses</b>					
Use of goods and services	16	(22 660 534 016)	(7 076 519 132)	(12 155 085 841)	(1 169 159 093)
Compensation of employees	16.1	(16 021 409 480)	(5 899 556 280)	(10 809 473 339)	(1 026 492 155)
Net finance cost	15	(143 242 345)	(212 874 917)	(73 346 558)	(18 143 301)
Loss on disposal of assets		(1 278 985)	-	(1 278 985)	-
Net (loss)/gain on monetary position		(280 994 505)	4 133 997 314	-	-
<b>Surplus for the year</b>		<b>4 786 018 777</b>	<b>10 548 688 453</b>	<b>6 657 937 377</b>	<b>1 101 628 758</b>
Fair value gain on property, plant and equipment		26 957 820 314	973 730 552	38 083 676 916	1 967 948 414
<b>Total income the year</b>		<b>31 743 839 091</b>	<b>11 522 419 005</b>	<b>44 741 614 293</b>	<b>3 069 577 172</b>

## STATEMENT OF CHANGES IN NET ASSETS / EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Accumulated fund ZWL	Revaluation reserve ZWL	TOTAL ZWL
<b>Inflation Adjusted</b>			
<b>Balance as at 01 January 2022</b>	<b>1 162 770 604</b>	<b>3 885 424 166</b>	<b>5 048 194 770</b>
Surplus for the year	10 548 688 452	-	10 548 688 452
Fair value gain	-	973 730 552	973 730 552
<b>Balance as at 31 December 2022</b>	<b>11 711 459 056</b>	<b>4 859 154 718</b>	<b>16 570 613 774</b>
Surplus for the year	4 786 018 776	-	4 786 018 776
Fair value gain	-	26 957 820 314	26 957 820 314
<b>Balance as at 31 December 2023</b>	<b>16 497 477 832</b>	<b>31 816 975 032</b>	<b>48 314 452 864</b>

	Accumulated fund ZWL	Revaluation reserve ZWL	TOTAL ZWL
<b>Historical Cost</b>			
<b>Balance as at 01 January 2022</b>	<b>(45 608 768)</b>	<b>170 380 364</b>	<b>124 771 596</b>
Surplus for the year	1 101 628 757	-	1 101 628 757
Fair value gain	-	1 967 948 414	1 967 948 414
<b>Balance as at 31 December 2022</b>	<b>1 056 019 989</b>	<b>2 138 328 778</b>	<b>3 194 348 767</b>
Surplus for the year	6 657 937 377	-	6 657 937 377
Fair value gain	-	38 083 676 916	38 083 676 916
<b>Balance as at 31 December 2023</b>	<b>7 713 957 366</b>	<b>40 222 005 694</b>	<b>47 935 963 060</b>

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Inflation Adjusted		Historical Cost	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Surplus for the year		4 786 018 777	10 548 688 453	6 657 937 377	1 101 628 758
Adjust for:					
Finance expense recognised in profit or loss		-	96 429 412	-	1 311 628
Interest on lease liability		143 242 345	116 445 506	73 346 558	16 831 673
Loss on disposal of property and equipment		1 278 985	-	1 278 985	-
Depreciation expense on property and equipment	7	1 947 631 247	845 357 119	430 838 243	63 252 444
Depreciation expense on intangible assets	7.1	80 517 551	-	52 340 677	-
Depreciation expense on investment property	6	-	55 113 470	-	2 075 673
Amortisation of right of use asset	8	1 299 825 306	152 148 999	68 888 156	17 434 251
Foreign currency loss on lease liability	8	1 031 019 729	1 095 508 671	1 031 019 729	227 975 721
Effects of IPSAS 10 on cashflow		945 477 288	(4 638 117 416)	-	-
<b>Working capital changes</b>					
(Increase)/decrease in inventories	9	(114 290 297)	(8 659 394)	(88 872 790)	(5 486 913)
Decrease / (increase) in trade and other receivables	10	2 311 131 051	(2 464 476 009)	133 335 740	(536 894 180)
Increase / (decrease) in trade, and other payables	12	(693 393 185)	2 091 405 494	2 510 653 150	723 653 348
<b>Cash generated from operations</b>		<b>11 738 458 795</b>	<b>7 889 844 305</b>	<b>10 870 765 825</b>	<b>1 611 782 405</b>
Net cash generated from operating activities		11 738 458 795	7 889 844 305	10 870 765 825	1 611 782 405
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of property & equipment	7	(5 345 804 458)	(3 485 042 492)	(1 984 902 940)	(609 475 398)
Purchase of intangible assets	7.1	(483 153 622)	-	(314 075 472)	-
Proceeds from disposal of property and equipment		18 761 478	-	18 761 478	-
<b>Net cash flows from investing activities</b>		<b>(5 810 196 602)</b>	<b>(3 485 042 492)</b>	<b>(2 280 216 934)</b>	<b>(609 475 398)</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Interest expense	15	-	(96 429 412)	-	(1 311 628)
Principal paid on lease liability	8.1.3	(2 121 498 963)	(536 109 751)	(1 236 154 428)	(111 564 618)
<b>Net cash flows from financing activities</b>		<b>(2 121 498 963)</b>	<b>(632 539 162)</b>	<b>(1 236 154 428)</b>	<b>(112 876 246)</b>
<b>Net increase in cash and cash equivalents</b>		<b>3 806 763 230</b>	<b>3 772 262 650</b>	<b>7 354 394 463</b>	<b>889 430 761</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>44 79 899 903</b>	<b>707 637 252</b>	<b>932 268 670</b>	<b>42 837 910</b>
<b>Cash and cash equivalents at the end of the year</b>	11	<b>8 286 663 133</b>	<b>4 479 899 903</b>	<b>8 286 663 133</b>	<b>932 268 670</b>



## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

	Inflation Adjusted			Historical Cost		
	Budget ZWL	Actual ZWL	2023 Difference Budget and Actual ZWL	Budget ZWL	2023 Actual ZWL	Difference Budget and Actual ZWL
<b>REVENUE</b>						
Government grant	4 831 243 334	10 790 435 301	5 959 191 967	1 841 901 000	7 278 677 003	5 436 776 003
Licensing revenue	6 303 288 046	25 213 896 670	18 910 608 624	2 522 800 000	15 519 558 984	12 996 758 984
Other revenue	508 960 284	1 581 644 964	1 072 684 680	194 040 000	958 246 416	764 206 416
Fair value adjustments	-	26 957 820 314	26 957 820 314	-	38 083 676 916	38 083 676 916
Foreign exchange gains	-	6 307 501 173	6 307 501 173	-	5 940 639 697	5 940 639 697
Loss on disposal of assets	-	(1 278 985)	(1 278 985)	-	(1 278 985)	(1 278 985)
Net (loss)/gain on monetary position	-	(280 994 506)	(280 994 505)	-	-	-
<b>Total Revenue</b>	<b>11 643 491 665</b>	<b>70 569 024 931</b>	<b>58 925 533 268</b>	<b>4 558 741 000</b>	<b>67 779 520 031</b>	<b>63 220 779 031</b>
<b>EXPENSES</b>						
Use of goods and services	6 874 531 126	22 660 534 016	15 786 002 890	3 044 185 898	12 155 085 841	9 110 899 943
Compensation of employees	5 443 230 143	16 021 409 480	10 578 179 338	1 582 116 795	1 0809 473 339	9 227 356 545
Net financing costs	-	143 242 345	143 242 345	-	73 346 558	73 346 558
<b>Total Expenses</b>	<b>12 317 761 269</b>	<b>38 825 185 841</b>	<b>26 507 424 572</b>	<b>4 626 302 693</b>	<b>23 037 905 738</b>	<b>18 411 603 045</b>
<b>Surplus for the period</b>	<b>(674 269 603)</b>	<b>31 743 839 090</b>	<b>32 418 108 695</b>	<b>(67 561 693)</b>	<b>44 741 614 293</b>	<b>44 809 175 986</b>

### Comment on material variances.

- The budgeted exchange rate for 2023 was 700, however the actual average exchange rate for the year was 2823.
- Government grant was above the budget by ZWL5,959,191,967 due to the impact of the exchange rate movement.
- Licensing revenue was above the budget by ZWL18,910,608,624 due to an increase in investors coming into the country leading to an increase in licensing revenue compounded by the movement in the exchange rate. The Agency had a budget of 372 new investor applications but achieved 761 new investor applications, a positive variance of 105%.
- Fair value adjustments of ZWL26,957,820,314 were a result of the revaluation of property plant and equipment.
- Total expenses were above budget by ZWL26,781,113,876 due the movement in exchange rate.

# Notes To The Financial Statements

## FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1. GENERAL INFORMATION

#### 1.1 Nature of business

The Zimbabwe Investment and Development Agency (“ZIDA”) was established on 7 February 2020 in terms of the Zimbabwe Investment and Development Agency Act [Chapter 14:38], “ZIDA Act” or “the Act”.

ZIDA is an investment Agency responsible for the promotion and facilitation of both local and foreign investment in the country. ZIDA was established to provide a One Stop Investment Services Centre (OSISC).

#### 1.2 Functional and presentation currency

The financial statements have been presented in Zimbabwe Dollars (“ZWL”), being the functional and presentation currency. The United States Dollar (and any other foreign currency) denominated balances were converted to ZWL at the closing Reserve Bank of Zimbabwe interbank rate as at the 31<sup>st</sup> of December 2023.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below:

The financial statements, including the comparatives, have been prepared in accordance with accrual basis International Public Sector Accounting Standards (IPSAS) and the Zimbabwe Financial Reporting Manual (ZFRM). Previously published financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs). The impact of moving from IFRS to IPSAS was not significant. This is due to a strong degree of convergence between the two suites of standards. ZIDA adopted IPSAS on 1 January 2023 as instructed by Zimbabwe Treasury through Treasury Circular No.4 of 2022 and has prepared these financial statements in line with IPSAS 33 First time Adoption. The only significant difference is in the presentation of financial statements between IFRS and IPSAS.

The preparation of financial statements in compliance with adopted IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Agency’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

#### Accounting convention

The financial statements are prepared from books and records maintained under the historical cost convention and are restated to take into account the effects of inflation in accordance with International Public Sector Accounting Standard 10 (Financial Reporting in Hyperinflationary Economies). The historical cost financial information has been restated for changes in the general purchasing power of the Zimbabwe Dollar (ZWL). Accordingly, the inflation adjusted financial statements are the primary financial statements of the Agency. Historical cost financial statements have been provided by way of supplementary information.

IPSAS 10 (Financial Reporting in Hyperinflationary Economies) requires that the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that the corresponding figures for the comparative periods be stated in the same terms.

The restatement is based on conversion factors derived from the Zimbabwe Consumer Price Index (CPI) from the figures provided by ZIMSTATS. The indices and conversion factors used are as follows:

Month	CPI	Conversion Factor
Dec-22	13,672.91	4.81
Dec-23	65,703.44	1.00

Monetary assets and liabilities are not restated because they are already stated in terms of the measuring unit current at reporting date;

Non-monetary assets and liabilities that are not carried at amounts current at reporting date and components of equity are restated by applying the change in the index from the date of the transaction or if applicable from their most recent revaluation;

Depreciation and amortisation amounts are based on the restated amounts;

Gains and losses arising from the net monetary position are included in the statement of comprehensive income; and

All items in the cash flow statement are expressed in terms of the measuring unit current at the reporting date.

### 2.2 Basis of measurement

The financial statements of the Agency are based on statutory records that are maintained under the historical cost convention. The financial statements have been prepared on the going concern basis which management believes to be appropriate.

### 3 CRITICAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### 3.1 Going concern assessment

The operations of the Agency were affected and will continue to be affected for the foreseeable future, by the adverse effects of the liquidity challenges in the economy. The ability of the Agency to continue operating as a going concern, in such an environment is subject to continual assessment. The CEO is however satisfied that the Agency has adequate resources to continue in operational existence for the foreseeable future, as such it is appropriate to adopt the going concern basis in preparing the financial statements.

#### 3.2 Useful lives and residual values of property, plant and equipment

The Agency assesses useful lives and residual values of property, plant and equipment each year taking into account past experience and technology changes. The depreciation rates are set out in note 5.8. Management has set residual values for all classes of property, plant and equipment at zero.

#### 3.3 Impairment and provisioning policies

At each statement of financial position date, the Agency reviews the carrying amount of its assets to determine whether there is an indication that those assets may have been impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment (if any), if the carrying amount of the asset is reduced to the recoverable amount, impairment is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the impairment is treated as a revaluation decrease.

If in the subsequent period, the asset that has been subject to an impairment loss is no longer considered to be impaired, the value is restored, and the gain is recognised in the statement of financial performance. The restoration is limited to the value which would have been recorded had the impairment adjustment not taken place.

#### 3.4 Allowance for credit losses

The Agency assesses its trade receivables and other receivables based on IPSAS 41 requirements. In determining whether an impairment loss should be recorded in the statement of financial performance, the Agency makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. The Agency assesses its trade receivables and other receivables for impairment using the simplified approach as permitted by IPSAS 41. Refer to note 9 for further details.

## 4 ADOPTION OF NEW AND REVISED STANDARDS

### 4.1 New standards, interpretations, and amendments effective from 1 January 2023

The Agency applied the following standards and amendments for the first-time, which are effective for annual periods beginning on or after 1 January 2023. These new amendments and interpretations issued by the International Public Sector Accounting Standards Board (IPSASB), have had no material effect on the entity's financial statements.

#### a. ***Amendments to International Public Sector Accounting Standards (IPSAS) 19 – Collective and Individual services***

The standard seeks to address transactions for Collective and Individual Services. Collective and Individual Services (Amendments to IPSAS 19) forms part of the IPSASB's broader non-exchange expenses project. The purpose of the project on non-exchange expenses is to develop new or amended standards that provide recognition and measurement requirements applicable to providers of non-exchange transactions, except for social benefits.

The amendments were deferred to an annual period beginning on or after January 1, 2023. The entity has applied these amendments from the effective date.

#### b. ***Amendments to International Public Sector Accounting Standards (IPSAS) 36 - Long term interest in associates and joint ventures***

The amendments to IPSAS 36 were to converge with narrow – scope amendments to IAS 28. The amendments were made to the standard by additions and deletion of some paragraphs.

The abovementioned were deferred to annual period beginning on or after January 1, 2023. The entity has applied these amendments from the effective date.

#### c. ***International Public Sector Accounting Standards (IPSAS) 42 - Social Benefits***

The standard provides guidance on accounting for social benefits expenditure. The definition as per standard is cash transfers paid to specific individuals and/or households to mitigate the effect of social risk. Specific examples include, state retirement benefits, disability benefits, income support and unemployment benefits. The new standard requires an entity to recognise an expense and a liability for the next social benefit payment.

The standard seeks to improve the relevance, faithful representativeness and comparability of the information, that the entity provides in its financial statements, information pertaining to social benefits. However the standard establishes principles and requirements for:-

- recognizing expenses and liabilities for social benefits,
- measuring expenses and liabilities for social benefits,
- presenting information about social benefits in the financial statements; and determining what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the social benefits provided by the reporting entity.

The standard was deferred by a year to annual period beginning on or after January 1, 2023 due to Covid 19. The entity has adopted and applied these amendments from the effective date.

## 4 ADOPTION OF NEW AND REVISED STANDARDS

### 4.1 New standards, interpretations, and amendments effective from 1 January 2023

#### d. *International Public Sector Accounting Standards (IPSAS) 41 - Financial Instruments*

The standard establishes new requirements for classifying, recognising and measuring financial instruments to replace those in IPSAS 29, (Financial Instruments: Recognition and Measurement). IPSAS 41 provides more useful information as compared to IPSAS 29 as it:-

- applies a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held,
- applies a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing, and
- applies an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance.

The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

The standard was deferred by a year to annual period beginning on or after January 1, 2023 due to Covid 19. The entity has adopted and applied the new standard from the effective date.

#### e. *International Public Sector Accounting Standards (IPSAS) 43 – Leases*

The standard is based on IFRS 16 - "Leases". The new standard introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, leases to lessees. For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13.

The standard is effective for the period beginning on or after January 01, 2025. The entity has early adopted and applied the new standard from 1 January 2023 in line with the requirements of the ZFRM.

#### f. *International Public Sector Accounting Standards (IPSAS) 44 – Non-current assets held for sale.*

The standard specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:-

- measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
- presented separately in the Statement of Financial Position and the results of discontinued operations to be presented separately in the Statement of Financial Performance.

The standard is effective for the period beginning on or after January 01, 2025. The entity has early adopted and applied the new standard from 1 January 2023 in line with requirements of the ZFRM.

## 4 ADOPTION OF NEW AND REVISED STANDARDS

### 4.1 New standards, interpretations, and amendments effective from 1 January 2023

#### **g. International Public Sector Accounting Standards (IPSAS) 45 – Property, plant and equipment**

The standard replaces IPSAS 17- Property, Plant, and Equipment. The new standard adds current operational value as a measurement basis in the updated current value model for assets within its scope. It further identifies the characteristics of heritage and infrastructure assets, and provides guidance on how these important types of public sector assets should be recognised and measured.

The standard is effective for the period beginning on or after January 01, 2025. The entity has early adopted and applied the new standard from 1 January 2023 in line with requirements from the ZFRM.

#### **h. International Public Sector Accounting Standards (IPSAS) 46 – Measurement**

The standard provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. It brings in generic guidance on fair value for the first time, and introduces current operational value, a public sector specific current value measurement basis addressing constituents' views that an alternative current value measurement basis to fair value is needed for certain public sector assets.

The standard is effective for the period beginning on or after January 01, 2025. The entity has early adopted and applied the new standard from 1 January 2023 in line with requirements from the ZFRM.

#### **i. International Public Sector Accounting Standards (IPSAS) 47 – Revenue**

The standard is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions.

The standard is effective for the period beginning on or after January 01, 2026. The entity has early adopted and applied the new standard from 1 January 2023 in line with requirements from the ZFRM.

#### **j. International Public Sector Accounting Standards (IPSAS) 48 – Transfer Expenses**

The standard is a single source for transfer expense guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new standard provides focused guidance to help entities apply the principles to account for public sector transfer expense transactions.

The standard is effective for the period beginning on or after January 01, 2026. The entity has early adopted and applied the new standard from 1 January 2023 in line with requirements from the ZFRM.

## 5 SIGNIFICANT ACCOUNTING POLICIES

### 5.1 Revenue recognition

The sources of revenue for the Agency are Government grants, application fees, investor licences, developers permit and operator licence fees.

#### 5.1.1 Revenue from transactions without binding arrangements

Revenue from transactions without binding arrangements are when the entity or the other party does not have both an enforceable right or an enforceable obligation through legal or equivalent means. The entity recognises revenue from transactions without binding arrangements when (or as) the entity satisfies any obligations associated with the inflow of resources that met the definition of a liability or immediately if the entity does not have an enforceable obligation associated with the inflow of resources. Revenue from levy and asset forfeiture is recognised on an accrual basis and will be measured at the fair value of the consideration received or receivable, net of repayments. Government grants are recognised on receipt.

#### 5.1.2 Revenue from transactions with binding arrangements

Revenue from transactions with binding arrangements are when the entity or the other party has both an enforceable right or an enforceable obligation through legal or equivalent means. The entity accounts for outsourced services using revenue model that uses costs incurred to date as percentage for total cost as estimate for the revenue to be recognised.

#### 5.1.3 The revenue for the Agency is recognised as follows:

- a. **Government grants**  
Income from the Government of Zimbabwe is accounted for on a receipt basis.
- b. **Application fees**  
Income from application fees is accounted for on a receipt basis.
- c. **Investor licences**  
The Agency recognises revenue when the service has been provided to the investor. The performance obligation would have been satisfied at a point in time when the investment license is authorised to be issued by the Chief Facilitator.
- d. **Developer permits**  
The Agency recognises revenue when the service has been provided to the investor. The performance obligation would have been satisfied at a point in time when the Developer Permit investment license is authorised to be issued by the Chief Executive Officer.
- e. **Operator licence fees**  
The Agency recognises revenue when the service has been provided to the investor. The performance obligation would have been satisfied at a point in time when the operator investment license is authorised to be issued by the Chief Executive Officer.



## 5 SIGNIFICANT ACCOUNTING POLICIES

### 5.2 Cash and cash equivalents

For the purposes of the statement of cashflows, cash and cash equivalents comprise of cash in hand and bank balances.

### 5.3 Foreign currencies

In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recognised at the spot rate of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the closing rate prevailing at that date.

### 5.4 Employee benefit costs

#### 5.4.1 Short-term employee benefits

The cost of Short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments.

### 5.5 Retirement benefit costs

Retirement benefits are provided for the Agency's employees through the National Social Security Authority (NSSA). The amounts payable to the National Social Security Authority are determined by the systematic recognition of legislated contributions. Payments to NSSA are charged as an expense as they fall due. Refer to note 21.

### 5.6 Termination benefits

Termination benefits are recognised when the entity recognises costs for a restructuring that involves the payment of termination benefits.

## 5 SIGNIFICANT ACCOUNTING POLICIES

### 5.7 Investment property

Investment property, which is stated at fair value, constitute land and buildings held for rental income. Investment property is initially recorded at cost, which includes transaction costs directly attributable to the acquisition thereof.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property is included in the statement of financial performance in the period in which they arise. Fair values are determined annually by an accredited external independent valuer, applying valuation models recommended by the International Valuation Standards Committee.

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of financial performance in the year of derecognition.

### 5.8 Leases

The company leases certain property and equipment under agreements that meet the definition of a lease under IPSAS 43 Leases. Right-of-use assets and lease liabilities are recognized for all leases with a term of more than 12 months. Right-of-use assets are measured at cost and include any initial direct costs incurred by the company. Lease liabilities are measured at the present value of lease payments, discounted using the incremental borrowing rate. Lease payments are recognized as an expense in the statement of financial performance on a straight-line basis over the lease term. Short-term leases and leases of low-value assets are recognized on a straight-line basis over the lease term. The company reassesses the lease term and discount rate if there is a significant change in circumstances that affects its estimate of these factors. The Agency has elected not to recognize right-of-use assets and lease liabilities for leases with a term of 12 months or less and leases of low-value assets. The company discloses information about its leasing activities in Note 8.

Leasehold improvements	33%
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## 5 SIGNIFICANT ACCOUNTING POLICIES

### 5.9 Property, plant and equipment

Property, plant and equipment (PPE) are tangible assets which the entity holds for its own use which are expected to be used for more than one year. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost unless it is acquired through a non-exchange transaction. Cost includes all of the expenditure which is directly attributable to the acquisition of the asset, including the capitalisation of borrowing costs on qualifying assets. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Property, plant and equipment acquired through a non-exchange transaction is measured at its deemed cost. The deemed cost is used as a surrogate for a transaction price at the measurement date. The entity uses measurement techniques that are appropriate in the circumstances and for which sufficient data are available to determine the deemed cost.

### 5.9 Property, Plant and Equipment

Depreciation, which is calculated on the straight-line basis, is provided to write off the cost less the estimated residual value of fixed assets over their estimated useful lives. The entity assesses useful lives and residual values of property, plant and equipment each year taking into account past experience and technological changes.

The rates that were applied per annum are as follows:

Leasehold improvements	33%
Transport equipment	20%
Furniture and fittings	10%
Office equipment	10%
Information and communication technology	33%
Intangible assets	33%

## 5 SIGNIFICANT ACCOUNTING POLICIES

### 5.11 Financial instruments

#### 5.11.1 Financial assets

The Agency classifies its financial assets as measured at amortised cost. Financial assets at amortised cost include trade receivables and bank balances.

##### **Amortised cost**

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off.

##### **De-recognition of financial assets**

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred, and the Agency has also transferred substantially all risks and rewards of ownership thereto.

##### **Impairment of financial assets**

The Agency recognises an allowance for expected credit losses on financial assets that are measured at amortised cost. At each reporting date, the Agency measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses ("ECL") or at an amount equal to the twelve months expected credit loss ("ECL"), depending on the significance of change in the credit risk of the financial asset.

#### 5.11.2 Financial liabilities

The Agency's financial liabilities comprise accounts payable. Accounts payable are initially measured at cost which is at least equal to the fair value of the amount to be settled for these liabilities in the foreseeable future. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

##### **Initial recognition**

Financial liabilities are recognised initially when the Agency becomes a party to the contractual provisions of the liability.

##### **Derecognition**

The Agency derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

## 5 SIGNIFICANT ACCOUNTING POLICIES

### 5.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises costs of purchase, and those overheads that have been incurred in bringing the inventories to their present location and condition. Costs are assigned using the first-in-first-out method. Net realisable value represents the estimated selling price less costs to sell.

### 5.13 Prepayments and deposits

Prepayments are initially recognised as assets in the statement of financial position and subsequently expensed to the statement of financial performance or capitalised to other assets on delivery.

### 5.14 Liabilities and provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Obligations payable on demand, or within one year of the statement of financial position date are treated as current liabilities in the statement of financial position. Liabilities payable after one year from statement of financial position date are treated as non-current liabilities in the statement of financial position.

### 5.15 Corporate tax

The Agency is exempt from corporate tax in accordance with the Zimbabwe Investment and Development Agency Act [Chapter 14:38].

## 6 INVESTMENT PROPERTY

The Agency holds two investment properties, an office block in Harare and a special economic zone facility in Beitbridge which is mainly used for warehousing. Management has however decided to dispose of Investment House. Management is committed to sell Investment House and an active program to locate buyer has been initiated. The property is being marketed at price reasonable to fair value and the sale expected to be completed in 12 months. Investment House has been therefore classified as a Non Current Asset Held for Sale in accordance with IPSAS 44.

<b>Inflation Adjusted</b>	<b>Investment House Harare ZWL</b>	<b>ZIDA Industrial Park Beitbridge ZWL</b>	<b>Total ZWL</b>
<b>Opening balance at 01 January 2023</b>	<b>2 793 844 616</b>	<b>4 930 314 028</b>	<b>7 724 158 644</b>
Fair value gain	7 587 565 820	6 617 788 258	14 205 354 079
Transfer to held for sale	(10 381 410 436)	-	(10 381 410 436)
<b>Closing balance at 31 December 2023</b>	<b>-</b>	<b>11 548 102 287</b>	<b>11 548 102 287</b>
<b>Carrying amount</b>			
At 31 December 2022	2 793 844 616	4 930 314 028	7 724 158 644
At 31 December 2023	-	11 548 102 287	11 548 102 287
<b>Historical Cost</b>	<b>Investment House Harare ZWL</b>	<b>ZIDA Industrial Park Beitbridge ZWL</b>	<b>Total ZWL</b>
<b>Opening balance at 01 January 2023</b>	<b>581 400 000</b>	<b>1 026 000 000</b>	<b>1 607 400 000</b>
Fair value gain	9 800 010 436	10 522 102 287	20 322 112 723
Transfer to held for sale	(10 381 410 436)	-	(10 381 410 436)
<b>Closing balance at 31 December 2023</b>	<b>-</b>	<b>11 548 102 287</b>	<b>11 548 102 287</b>
<b>Carrying amount</b>			
At 31 December 2022	581 400 000	1 026 000 000	1 607 400 000
At 31 December 2023	-	11 548 102 287	11 548 102 287

## 6.1 NON-CURRENT ASSETS HELD FOR SALE

The Agency measured the disposal of Investment House which has been classified as held for sale at the lower of its carrying amount and fair value less costs to sell. The Agency measured the fair value less costs to sell of Investment House at ZWL\$10,381,410,436.

<b>Inflation Adjusted</b>	<b>Investment House Harare ZWL</b>
<b>Opening balance at 01 January 2023</b>	-
Transfer from investment property	10 381 410 436
<b>Closing balance at 31 December 2023</b>	<b>10 381 410 436</b>
<b>Carrying amount</b>	
At 31 December 2022	-
At 31 December 2023	10 381 410 436
<b>Historical Cost</b>	<b>ZWL</b>
<b>Opening balance at 01 January 2023</b>	-
Transfer from investment property	10 381 410 436
<b>Closing balance at 31 December 2023</b>	<b>10 381 410 436</b>
<b>Carrying amount</b>	
At 31 December 2022	-
At 31 December 2023	<b>10 381 410 436</b>

## PROPERTY AND EQUIPMENT

Inflation Adjusted	Leasehold improvements ZWL	Transport equipment ZWL	Office equipment ZWL	ICT equipment ZWL	Furniture ZWL	Total ZWL
<b>At 31 December 2022</b>						
Opening carrying amount	643 248 907	88 948 957	6 302 699	300 106 223	281 073 739	1 319 680 524
Additions	30 685 784	3 116 758 719	47 779 820	241 374 913	48 443 256	3 485 042 492
Depreciation charge	(387 223 209)	(254 748 818)	(954 489)	(170 413 321)	(32 017 282)	(845 357 119)
Revaluation gain	503 407 029	845 550 539	519 026	135 863 280	(98 901 314)	1 386 438 560
<b>Balance at 31 December 2022</b>	<b>790 118 510</b>	<b>3 796 509 397</b>	<b>53 647 056</b>	<b>506 931 096</b>	<b>198 598 399</b>	<b>5 345 804 458</b>
<b>At 31 December 2022</b>						
Cost/Valuation	790 118 510	3 796 509 397	53 647 056	506 931 096	198 598 399	5 345 804 458
Accumulated depreciation	-	-	-	-	-	-
<b>Balance at 31 December 2022</b>	<b>790 118 510</b>	<b>3 796 509 397</b>	<b>53 647 056</b>	<b>506 931 096</b>	<b>198 598 399</b>	<b>5 345 804 458</b>
<b>At 31 December 2023</b>						
Opening carrying amount	790 118 510	3 796 509 397	53 647 056	506 931 096	198 598 399	5 345 804 458
Additions	542 167 550	2 801 612 160	157 604 508	506 488 059	299 025 251	4 306 897 528
Disposals	-	(6 949 137)	(2 352 400)	(98 161 343)	(30 929 770)	(138 392 650)
Depreciation charge	(425 517 758)	(1 124 755 308)	(10 600 472)	(349 540 830)	(37 216 879)	(1 947 631 247)
Depreciation on disposals	-	3 358 750	814 209	78 469 730	6 265 111	88 907 799
Revaluation gain	7 848 206 119	4 325 354 721	(13 604 234)	184 181 498	408 328 131	12 752 466 235
<b>Balance at 31 December 2023</b>	<b>8 754 974 421</b>	<b>9 795 130 582</b>	<b>185 508 668</b>	<b>828 368 210</b>	<b>844 070 243</b>	<b>20 408 052 124</b>
<b>At 31 December 2023</b>						
Cost/Valuation	8 754 974 421	9 795 130 582	185 508 668	828 368 210	844 070 243	20,408,052,124
Accumulated depreciation	-	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>8 754 974 421</b>	<b>9 795 130 582</b>	<b>185 508 668</b>	<b>828 368 210</b>	<b>844 070 243</b>	<b>20 408 052 124</b>



## 7 PROPERTY AND EQUIPMENT

Historical Cost	Leasehold improvements ZWL	Transport equipment ZWL	Office equipment ZWL	ICT equipment ZWL	Furniture ZWL	Total ZWL
<b>At 31 December 2022</b>						
Opening carrying amount	19 685 816	3 349 979	237 371	11 557 015	10 745 108	45 575 290
Additions	1 998 812	547 674 294	9 614 606	40 518 746	9 668 940	609 475 398
Depreciation charge	(12 418 127)	(41 316 915)	(59 851)	(8 104 272)	(1 353 279)	(63 252 444)
Revaluation gain	155 157 424	280 347 518	1 371 844	61 521 043	22 267 624	520 665 453
	<b>164 423 926</b>	<b>790 054 877</b>	<b>11 163 970</b>	<b>105 492 531</b>	<b>41 328 393</b>	<b>1 112 463 697</b>
<b>At 31 December 2022</b>						
Cost/Valuation	164 423 926	790 054 877	11 163 970	105 492 531	41 328 393	1 112 463 697
Accumulated depreciation	-	-	-	-	-	-
	<b>164 423 926</b>	<b>790 054 877</b>	<b>11 163 970</b>	<b>105 492 531</b>	<b>41 328 393</b>	<b>1 112 463 697</b>
<b>At 31 December 2023</b>						
Opening carrying amount	164 423 926	790 054 877	11 163 970	105 492 531	41 328 393	1 112 463 697
Additions	389 730 136	1 061 582 784	113 558 196	266 912 836	153 118 988	1 984 902 940
Disposals	(91 332 287)	(4 157 387)	(516 397)	(23 187 236)	(1 015 409)	(28 876 430)
Depreciation charge	(249 121 984)	(249 121 984)	(4 488 080)	(77 300 937)	(8 594 955)	(430 838 243)
Depreciation on disposals	451 136	451 136	70 453	8 003 808	310 570	8 835 967
Revaluation gain	8 292 152 646	8 196 321 156	65 720 526	548 447 208	658 922 656	17 761 564 193
	<b>8 754 974 421</b>	<b>9 795 130 582</b>	<b>185 508 668</b>	<b>828 368 210</b>	<b>844 070 243</b>	<b>20 408 052 124</b>
<b>At 31 December 2023</b>						
Cost/Valuation	8 754 974 421	9 795 130 582	185 508 668	828 368 210	844 070 243	20 408 052 124
Accumulated depreciation	-	-	-	-	-	-
	<b>8 754 974 421</b>	<b>9 795 130 582</b>	<b>185 508 668</b>	<b>828 368 210</b>	<b>844 070 243</b>	<b>20 408 052 124</b>

## 7.1 INTANGIBLE ASSETS - SOFTWARE

All intangible assets are measured at cost when they are first recognized in the financial statements. Currently the intangible assets recognised have a useful life of three (3) years.

<b>Inflation Adjusted</b>	<b>Intangible assets - software ZWL</b>
<b>Balance at 31 December 2022</b>	-
Additions	483 153 622
<b>Balance at 31 December 2023</b>	<b>483 153 622</b>
<b>Accumulated amortisation</b>	
<b>Balance at 31 December 2022</b>	-
Charge for the year	80 517 551
<b>Balance at 31 December 2023</b>	<b>80 517 551</b>
<b>Carrying amount</b>	
At 31 December 2022	-
At 31 December 2023	402 636 071
<b>Historical Cost</b>	<b>ZWL</b>
<b>Balance at 31 December 2022</b>	-
Additions	314 075 472
<b>Balance at 31 December 2023</b>	<b>314 075 472</b>
<b>Accumulated amortisation</b>	
<b>Balance at 31 December 2022</b>	-
Charge for the year	52 340 677
<b>Balance at 31 December 2023</b>	<b>52 340 677</b>
<b>Carrying amount</b>	
At 31 December 2022	-
At 31 December 2023	<b>261 734 795</b>

## 8 LEASES

### 8.1.1 As Lessee

The Agency acting as lessee recognises a right-of-use asset and a lease liability for all leases with a term of more than 12 months unless the underlying asset is of low value.

### 8.1.2 Right of use assets

#### Inflation Adjusted

	ZB Life Towers ZWL	Old Mutual Bulawayo ZWL	Zimre Properties Bulawayo ZWL	Total ZWL
<b>Balance as at 01 January 2022</b>	<b>1 460 120 389</b>	-	<b>16 498 885</b>	<b>1 476 619 274</b>
Lease remeasurement	(119 420 317)	-	15 527 796	(103 892 522)
Amortisation for the year	(145 042 327)	-	(7 106 672)	(152 148 999)
<b>Balance as at 31 December 2022</b>	<b>1 195 657 745</b>	-	<b>24 920 008</b>	<b>1 220 577 753</b>
Additions	-	570 582 377	-	570 582 377
Lease remeasurement	3 343 251 713	-	-	3 343 251 713
Amortisation for the year	(1 195 657 745)	(79 247 552)	(24 920 008)	(1 299 825 306)
<b>Balance as at 31 December 2023</b>	<b>3 343 251 713</b>	<b>491 334 825</b>	-	<b>3 834 586 538</b>

#### Historical Cost

	ZB Life Towers ZWL	Old Mutual Bulawayo ZWL	Zimre Properties Bulawayo ZWL	Total ZWL
<b>Balance as at 01 January 2021</b>	<b>40 855 393</b>	-	<b>638 437</b>	<b>41 493 830</b>
Lease remeasurement	(7 615 550)	-	990 223	(6 625 328)
Depreciation charge for the year	(16 619 921)	-	(814 330)	(17 434 251)
<b>Balance as at 31 December 2022</b>	<b>16 619 921</b>	-	<b>814 330</b>	<b>17 434 251</b>
Additions	-	370 468 114	-	370 468 114
Lease remeasurement	3 343 251 713	-	-	3 343 251 713
Amortisation for the year	(16 619 921)	(51 453 905)	(814 330)	(68 888 156)
<b>Balance as at 31 December 2023</b>	<b>3 343 251 713</b>	<b>319 014 210</b>	-	<b>3 662 265 922</b>

### 8.1.3 Lease liability

#### Inflation Adjusted

	ZB Life Towers ZWL	Old Mutual Bulawayo ZWL	Zimre Properties Bulawayo ZWL	Total ZWL
<b>Balance as at 01 January 2022</b>	<b>1 108 859 085</b>	-	<b>4 081 797</b>	<b>1 112 940 882</b>
Lease modification	(36 595 570)	-	4 758 391	(31 837 180)
Exchange rate loss	1 073 195 351	-	22,313,320	1 095 508 671
Interest expense	114 073 744	-	2 371 762	116 445 506
Lease payments	(525 190 265)	-	(10 919 483)	(536 109 748)
Effects of inflation on lease liability	(821 129 838)	-	(3 618 747)	(824 748 585)
<b>Balance as at 31 December 2022</b>	<b>913 212 507</b>	-	<b>18 987 040</b>	<b>932 199 547</b>
Additions	-	570 582 377	-	570 582 377
Lease remeasurement	3 343 251 713	-	-	3 343 251 713
Exchange rate loss	897 412 263	114 948 937	18 658 530	1 031 019 729
Interest expense	113 323 033	27 563 158	2 356 154	143 242 345
Lease payments	(1 984 383 773)	(95 856 913)	(41 258 276)	(2 121 498 963)
Effects of inflation on lease liability	60 435 970	(184 566 547)	-	(122 874 024)
<b>Balance as at 31 December 2023</b>	<b>3 343 251 712</b>	<b>432 671 011</b>	-	<b>3 775 922 724</b>

#### Historical Cost

	ZB Life Towers ZWL	Old Mutual Bulawayo ZWL	Zimre Properties Bulawayo ZWL	Total ZWL
<b>Balance as at 01 January 2022</b>	<b>67 126 492</b>	-	<b>247 098</b>	<b>67 373 590</b>
Lease remeasurement	(7 615 550)	-	990 223	(6 625 328)
Exchange rate loss	223 332 312	-	4 643 409	227 975 721
Interest expense	16 488 845	-	342 828	16 831 673
Lease payments	(109 292 270)	-	(2 272 348)	(111 564 618)
<b>Balance as at 31 December 2022</b>	<b>190 039 829</b>	-	<b>3 951 209</b>	<b>193 991 038</b>
Additions	-	370 468 114	-	370 468 114
Lease remeasurement	3 343 251 713	-	-	3343 251 713
Exchange rate loss	897 412 263	114 948 937	18 658 530	1031 019 729
Interest expense	51 144 159	21 139 036	1 063 363	73 346 558
Lease payments	(1 138 596 251)	(73 885 076)	(23 673 102)	(1 236 154 428)
<b>Balance as at 31 December 2023</b>	<b>3 343 251 713</b>	<b>432 671 011</b>	-	<b>3 775 922 724</b>

	Inflation Adjusted		Historical Cost	
Notes	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Current portion	1 867 150 695	932 199 547	1 867 150 695	193 991 038
Non-current portion	1 908 772 029	-	1 908 772 029	-
<b>Total</b>	<b>3 775 922 724</b>	<b>932 199 547</b>	<b>3 775 922 724</b>	<b>193 991 038</b>

### Maturity analysis of future lease payments outstanding at the reporting date

	Up to 1 year	Between 1 and 2 Years	Between 2 and 5 years	Total
<b>At 31 December 2023</b>				
ZB Life Towers	1 571 944 886	1 771 306 827	-	3 343 251 713
Old Mutual Bulawayo	151 866 452	171 126 912	109 677 647	432 671 011
<b>Total Lease Liabilities</b>	<b>1 723 811 338</b>	<b>1 942 433 739</b>	<b>109 677 647</b>	<b>3 775 922 724</b>

### 8.2 As Lessor

Lease income from operating leases where the Agency is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet in accordance with their nature.

The amounts recognised in the statement of profit or loss and other comprehensive income are as follows;

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Rental income from investment property	1 481 644 892	681 164 189	882 897 228	105 753 294
Direct operating expenses arising from investment property	95 905 357	22 639 196	25 969 555	3 642 936

### 9. INVENTORIES

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Fuel coupons	8 661 588	34 201 411	5 895 486	6 948 938
Stationery	50 677 113	-	17 741 407	-
Printer Cartridges	89 153 007	-	72 184 835	-
<b>Total inventories</b>	<b>148 491 708</b>	<b>34 201 411</b>	<b>95 821 728</b>	<b>6 948 938</b>

## 10 TRADE AND OTHER RECEIVABLES

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Trade and other receivables	975 200 585	800 038 685	975 200 585	199 480 419
Staff advances	3 895 418	795 795 091	3 895 418	165 605 225
Allowance credit losses	(669 196 018)	(82 167 299)	(669 196 018)	(50 091 143)
<b>Financial assets other than cash and cash equivalents classified as loans and receivables</b>	<b>309 899 985</b>	<b>1 513 666 476</b>	<b>309 899 985</b>	<b>314 994 500</b>
Prepayments and deposits	123 165 743	1230 530 303	110 567 811	238 809 035
<b>Total trade and other receivables</b>	<b>433 065 728</b>	<b>2 744 196 779</b>	<b>420 467 796</b>	<b>553 803 536</b>

The carrying value of trade and other receivables at amortised cost approximates their fair value. The movement in the impairment allowance has been included in operating expenses in the statement of financial performance.

### Impairment of trade and other receivables

To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk rating and their ageing.

At 31 December 2023 the lifetime expected credit loss provision for trade and other receivables is as follows:

	Current ZWL	More than 30 days past due ZWL	More than 60 days past due ZWL	More than 120 days past due ZWL	Total ZWL
<b>31 December 2023</b>					
Expected loss rate	5%	10%	20%	100%	
Gross carrying amount	175 622 998	76 575 528	87 805 931	635 196 129	975 200 585
<b>Credit loss provision</b>	<b>8 781 150</b>	<b>7 657 553</b>	<b>17 561 186</b>	<b>635 196 129</b>	<b>669 196 018</b>
<b>31 December 2022</b>					
Expected loss rate	5%	10%	20%	100%	
Gross carrying amount	9 281 583	7 123 984	13 647 591	46 247 158	76 300 317
<b>Credit loss provision</b>	<b>456 712</b>	<b>701 427</b>	<b>2 685 846</b>	<b>46 247 158</b>	<b>50 091 143</b>

Movements in the impairment allowance for trade receivables are as follows:

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
<b>Balance at the beginning of the year</b>	<b>240 706 691</b>	<b>158 539 391</b>	<b>50 091 143</b>	<b>66 166</b>
Provided for during the year	428 489 327	82 167 299	619 104 875	50 024 977
<b>Balance at the end of the year</b>	<b>669 196 018</b>	<b>240 706 691</b>	<b>669 196 018</b>	<b>50 091 143</b>

The movement in the impairment allowance for trade receivables has been included in the administration expenses line in the statement of financial performance.

## 11 CASH AND CASH EQUIVALENTS

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Bank balance	6 351 948 342	4 477 295 426	6 351 948 342	931 726 677
Cash in hand	1 934 714 791	2 604 477	1 934 714 791	541 992
	<b>8 286 663 133</b>	<b>4 479 899 902</b>	<b>8 286 663 133</b>	<b>932 268 670</b>

## 12 TRADE AND OTHER PAYABLES

Trade payables	736 783 080	200 047 549	736 783 080	134 576 487
Other payables	219 066 801	3 299 324 088	219 066 801	593 643 922
<b>Total financial liabilities classified as financial liabilities measured at amortised cost</b>	<b>955 849 881</b>	<b>3 499 371 637</b>	<b>955 849 881</b>	<b>728 220 409</b>
Other payables statutory liabilities	742 040 427	100 011 141	742 040 427	20 812 352
<b>Total trade and other payables</b>	<b>1 697 890 308</b>	<b>3 599 382 778</b>	<b>1 697 890 308</b>	<b>749 032 761</b>

## 13 REVENUE FROM COMPLIANCE OBLIGATIONS SATISFIED AT A POINT IN TIME

Operator licence fees	405 481 225	62 484 009	396 609 660	11 937 568
Investor licence	22 787 279 092	5 497 358 545	13 752 997 903	903 264 891
Application fees	1 615 655 128	351 686 527	973 341 761	57 908 305
Developer permit	405 481 225	126 955 058	396 609 660	25 552 682
	<b>25 213 896 670</b>	<b>6 038 484 139</b>	<b>15 519 558 984</b>	<b>998 663 446</b>

## 14 OTHER INCOME

Rental income	1 481 644 892	681 164 189	882 897 228	105 753 294
Tender income	-	107 572	-	6 860
Insurance income	-	236 905	-	17 185
Sponsorship income	74 642 837	-	55 919 615	-
Registration income	25 357 235	-	19 429 574	-
	<b>1 581 644 964</b>	<b>681 508 666</b>	<b>958 246 416</b>	<b>105 777 339</b>

## 15 NET FINANCE COST

Interest received	-	2 595	-	165
Interest paid	-	(96 432 007)	-	(1 311 794)
Interest on lease liability	(309 707 364)	(116 445 506)	(73 346 558)	(16 831 673)
<b>Total financial expenses</b>	<b>(309 707 364)</b>	<b>(212 874 917)</b>	<b>(73 346 558)</b>	<b>(18 143 301)</b>

## 16 ADMINISTRATION AND STAFF EXPENSES

	Note(s)	Inflation adjusted		Historical Cost	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Depreciation		3 327 974 103	564 728 448	552 067 077	82 762 369
Directors' fees		390 960 792	79 592 668	269 296 319	15 820 499
Advertising		1 763 559 815	162 536 626	1 070 523 949	25 655 390
Audit fees		281 775 867	147 346 722	183 562 749	23 995 786
Travel and subsistence		4 930 888 683	2 083 552 461	2 810 855 190	348 684 148
Repairs and maintenance		853 979 657	238 812 352	497 055 879	39 398 429
Telephone, fax and postage		25 560 935	26 648 231	15 480 364	3 791 140
Fuels and oils		5 706 084 177	1 635 822 434	3 300 970 790	256 293 476
Rentals, rates and electricity		160 341 920	25 453 281	-	3 222 972
Security expenses		107 965 173	28 803 818	68 327 642	4 418 314
Printing and stationery		58 563 296	118 901 984	39 609 605	19 649 642
Cleaning, lunches and teas		928 448 626	317 147 457	611 773 091	51 268 301
Consultancy fees		460 473 401	122 753 122	259 078 612	21 766 265
Licenses and fines		163 280 025	24 720 787	46 271 658	3 940 482
Protective clothing and uniforms		90 206 346	58 336 158	60 677 255	8 739 469
Insurance		404 571 826	65 353 579	169 861 565	12 107 901
Internet subscriptions		616 024 324	152 180 437	395 794 380	25 135 585
Legal fees		66 277 126	26 132 152	48 972 595	4 492 218
Periodicals and subscriptions		60 699 250	51 539 385	36 533 372	8 809 158
Entertainment		146 222 897	75 377 177	93 018 936	10 802 190
Motor vehicle expenses		54 335 672	9 072 380	35 203 464	248 571
Bank charges		465 992 947	294 479 161	267 806 703	51 449 618
Tax written off		20 406 954	240 795 452	4 712 771	49 438 243
Allowance for credit losses		619 104 875	194 587 466	619 104 875	40 493 717
Other administration expenses		956 835 327	331 845 395	698 527 001	56 775 209
		<b>22 660 534 016</b>	<b>7 076 519 132</b>	<b>12 155 085 841</b>	<b>1 169 159 093</b>

### 16.1 STAFF EXPENSES

Basic salaries		8 293 846 849	4 124 885 640	5 385 922 841	739 804 781
Retrenchment expenses		1 397 662 538	-	951 315 087	-
Pension, medical aid and funeral insurance		1 008 216 520	379 141 147	604 747 065	57 950 178
Bonus and allowances		2 079 578 876	949 477 358	1 154 807 030	146 276 925
Leave pay and cash in lieu of leave		1 475 266 997	309 476 118	1 465 069 460	62 788 994
Recruitment expenses		-	10 960 086	-	(453 990)
Wi-Fi & airtime		347 040 313	75 350 111	217 379 913	11 476 231
Staff training and development		1 419 797 386	50 265 820	1 030 231 944	8 649 035
		<b>16 021 409 480</b>	<b>5 899 556 280</b>	<b>10 809 473 339</b>	<b>1 026 492 155</b>



## 17 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

### 17.1 Financial risk factors

The main risks arising from the Agency's financial instruments are market risk (which includes price risk and interest rate risk), credit risk and liquidity risk. The Agency does not use derivative financial instruments for speculative purposes. The CEO has the overall responsibility for the establishment and oversight of the Agency's risk management framework. The Agency's risk management policies are reviewed by management on a regular basis for adequacy in being able to manage any changes in risks arising from changes in the operating environment.

#### Principal financial instruments

The principal financial instruments used by the Agency, from which financial instrument risk arises are as follows:

- Trade and other receivables
- Bank and cash balances
- Trade and other payables

A summary of the financial instruments held by category is provided below:

	2023 ZWL	2022 ZWL
<b>Financial assets</b>		
Bank and cash balances	8 286 663 133	932 268 670
Trade and other receivables	309 899 985	314 994 500
	<b>8 596 563 118</b>	<b>1 247 263 170</b>
<b>Financial liabilities</b>		
Trade and other payables	2 610 592 010	821 166 934

#### i. Price risk

The Agency is not exposed to equity securities or commodity price risk as it had no assets or obligations that expose the Agency to these risks at the reporting date.

#### ii. Cash flow and fair value interest rate risk

##### *Fair value interest rate risk*

The Agency's interest rate risk arises from interest-bearing assets in the form of operating leases and other receivables. The Agency's trade receivables are at fixed rates and are carried at amortised cost. They are therefore not subject to interest rate risk, since neither their carrying amounts nor future cash flows will fluctuate as a result of changes in market interest rates.

##### *Cash flow risk*

The Agency monitors its risk to shortage of funds using a liquidity planning tool. This tool involves daily, weekly, and monthly cash forecasts.

#### iii. Credit risk

The Agency's maximum exposure to credit risk by class of financial asset is equal to the carrying amount of the assets. The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

**iv. Cash and cash equivalents**

There are no significant concentrations of credit risk with respect to cash and cash equivalents as the Agency holds banking accounts with financial institutions with sound financial and capital cover.

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
CBZ Bank Limited	5 670 017 754	4 425 652 368	5 670 017 754	920 979 740
Ecobank Zimbabwe Limited	681 930 588	51 643 058	681 930 588	10 746 938
<b>Total</b>	<b>6 351 948 342</b>	<b>4 477 295 426</b>	<b>6 351 948 342</b>	<b>931 726 677</b>

**v. Liquidity risk**

Liquidity risk is the risk that the Agency may fail to meet its payment obligations when they fall due, the consequences of which may be the failure to meet the obligations to creditors. The Agency identifies this risk through periodic liquidity gap analysis and the maturity profile of assets and liabilities. Where major gaps appear, action is taken in advance to close or minimise the gaps.

The Agency monitors rolling forecasts of the Agency's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Agency's ability to self-generate sustaining cash-inflows and its extent of reliance on government funding.

Quantitative disclosures of the liquidity risk exposure in relation to the Agency's liabilities are set out below:

	Up to 3 months ZWL	3 to 12 months ZWL	1 to 5 years ZWL	Over 5 years ZWL	Total ZWL
Trade and other payables	3 291 506 008	22 709 629	38 416 799	-	3 352 632 436
Leases	411 852 513	1 311 958 826	2 052 111 385	-	3 775 922 724
<b>Total</b>	<b>3 703 358 521</b>	<b>1 334 668 455</b>	<b>2 090 528 185</b>	<b>-</b>	<b>7 128 555 160</b>

**18 MANAGEMENT OF CAPITAL**

The Agency's objective when managing capital is to safeguard the Agency's ability to continue operating as a going concern, so that it can continue to provide benefits for its stakeholders.

The Agency manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Agency's capital structure is as follows:

	Inflation adjusted		Historical Cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Revaluation reserve	31 816 975 032	4 859 154 718	40 222 005 694	2 138 328 778
Accumulated fund	16 497 477 833	11 711 459 056	7 713 957 367	1 056 019 989
<b>Total</b>	<b>48 314 452 865</b>	<b>16 570 613 774</b>	<b>47 935 963 060</b>	<b>3 194 348 767</b>

## 19. CAPITAL EXPENDITURE COMMITMENTS

	2023 ZWL	2022 ZWL
Contracted for	-	173 372 572
Authorised but not contracted for	4 973 822 738	-
	<b>4 973 822 738</b>	<b>173 372 572</b>

The Agency has initiated the process acquiring a property in order to build a Head Office. Authority has been obtained from the Principals accordingly and the procurement process has been initiated. The capital expenditure will be funded from Government grants.

## 20. RELATED PARTIES INFORMATION

A related party is a person or entity that is related to the entity that is preparing its financial statements.

The Agency is controlled and funded by the Government of Zimbabwe and the Agency has adopted the requirement of International Public Sector Accounting Standards 20 (IPSAS 20) paragraph 27 which exempts it from disclosing transactions with other government related entities.

### 20.1 Related Parties

<b>Related party</b>	<b>Nature of relationship</b>
Tafadzwa Chinamo	Key management
Never Nyemudzo	Key management
Silibaziso Chizwina	Key management
Kudakwashe Nyashanu	Key management
Alexios Chigaazira	Key management
Theresa Muchinguri	Key management
Noel Mahombera	Key management

Key management are employees who have authority, are responsible for planning, directing, and controlling the activities of the Agency on a day-to-day basis.

## 20.2 Related Party Transactions

The following represent transactions with the related parties during the year:

### a) Compensation to key management personnel

Included in staff expenses are the following related party expenses;

Related Party	Nature of transaction	Inflation adjusted		Historical cost	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Key management	Short term benefits	7 550 305 324	1 525 064 083	3 925 228 474	216 815 774

### b) Related party payables

Included in trade and other payables are the following related party payables:

Related Party	Nature of transaction	Inflation adjusted		Historical cost	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Key management	Short term benefits	-	721 085 760	-	150 058 188

## 21 POST EMPLOYMENT BENEFITS

Contributions to the National Social Security Authority ("NSSA") for the period were as follows:

	Inflation adjusted		Historical cost	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Contributions during the year	210 380 045	38 426 362	149 777 540	6 124 517

## 22 EVENTS AFTER THE REPORTING PERIOD

A new currency, the Zimbabwe Gold (ZIG) was issued with effect from 5 April 2024 to replace the Zimbabwean Dollar. The ZIG replaced the ZWL at a rate of 2498.7242. The new currency is a structured currency which is directly linked to the price of gold. This is not expected to have any material impact on the operations or the financial statements of the Agency. There were no other material events either favourable or unfavourable that occurred between the reporting date and the date that the financial statements were authorised for issue.

### 22.1 APPROVAL OF FINANCIAL STATEMENTS


The financial statements were approved by the Chief Executive Officer on 16 May 2024.



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