SIVIO INSTITUTE

AN ASSESSMENT OF ZIMBABWE'S NATIONAL DEVELOPMENT STRATEGY 1

2021-2025

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NDS1 at a Glance

The National Development Strategy 1 (NDS1), implemented from 2021 to 2025, served as Zimbabwe's medium-term framework to advance "Vision 2030," aiming for upper-middle-income status. This briefing document synthesizes the outcomes of NDS1, revealing a performance characterized by significant macro-level achievements and high-visibility infrastructure progress, contrasted against persistent failures in job creation, currency stability, and the translation of economic gains into household welfare.

17 Priorities
Consolidated into 5 analytical clusters

5-Year Horizon
January 2021 – December 2025

Vision 2030
Upper-middle-income status by 2030

Five Priority Clusters

The 17 NDS1 priorities were consolidated into five clusters for analytical clarity.

1	**2**	**3**	**4**	**5**
Macroeconomic Management and External Sector	**Infrastructure, Housing, and Land Delivery**	**Governance, Devolution and International Engagement**	**Social Services and Human Capital**	**Climate Resilience, Food Systems, and Natural Resource Management**
• Economic Growth and Stability • Fiscal and External Sector • Money and Financial Sector • Digital Economy	• Infrastructure and Utilities • Housing and Land Delivery	• Image Building • International Engagement • Devolution • Governance	• Social Protection • Health and Wellbeing • Youth, Sports and Culture	• Food and Nutrition Security • Environmental Protection • Natural Resource Management • Climate Resilience

Critical Takeaways:

Macroeconomic Success: The government met several key targets, including sustaining an average annual GDP growth of 5.96% (surpassing the 5% target) and maintaining a fiscal deficit below 3% of GDP.

Employment Deficit: A major failure was recorded in formal job creation, with only approximately 270,000 jobs created (35% of the 760,000 target), leaving youth unemployment high and the informal sector dominant.

Infrastructure Momentum: Visible progress was made in road rehabilitation (ERRP2), energy expansion (Hwange Units 7 and 8), and dam construction, though many dam projects remain incomplete.

Currency and Inflation: Despite the introduction of the gold-backed Zimbabwe Gold (ZiG) in 2024, public mistrust persists. Inflation declined significantly from 2020 peaks but failed to reach the single-digit target, ending 2025 at approximately 15%.

The "Livelihood Disconnect": While nominal GDP rose to US44.4 billion and per capita income crossed the US3,000 threshold through rebasing, roughly 60% of the population continues to live below the international poverty line.

Photo by Noah Denhe

Macroeconomic Management and the External Sector

The government established 10 macroeconomic objectives, seven of which were "SMART" (Specific, Measurable, Achievable, Relevant, and Time-bound). Performance against these targets was mixed.

Macroeconomic Performance Benchmarks (2021–2025)

Objective	Target	Status	Outcome
Real GDP Growth	>5% annually	Achieved	Averaged 5.96%; recorded 8.1% in 2025
Fiscal Deficit	<3% of GDP	Achieved	Averaged 1.2% over the five-year period
Public Debt	<70% of GDP	Achieved	Stood at 58% in 2025
Current Account	< -3% of GDP	Achieved	Averaged 1.2% of GDP
Formal Job Creation	760,000 jobs	Missed	~270,000 jobs created (35% of target)
Inflation	Single digits	Missed	15% by Dec 2025 (down from >785% in 2020)
International Reserves	6 months cover	Missed	0.9 months cover by 2025

Currency and Monetary Policy

In April 2024, the government introduced the gold-backed Zimbabwe Gold (ZiG) to replace the depreciating RTGS dollar. While it temporarily reduced inflation and national reserves increased from US285 million to US370 million between April and June 2024, the currency has struggled for dominance. Public mistrust and the extension of the multi-currency regime to 2030 have delayed full de-dollarisation.

Infrastructure, Housing, and Land Delivery

This sector reflected a pattern of "selective implementation," favouring high-visibility flagship projects over systemic reforms.

Infrastructure Highlights

Energy

The Hwange Thermal Power Station Expansion (Units 7 and 8) added 600 MW to the national grid.

Roads

The Emergency Road Rehabilitation Programme 2 (ERRP2) and the Harare-Masvingo-Beitbridge highway project saw significant progress, though provincial and rural roads often remain in poor condition.

Dams

While 13 dams were targeted, only four (Marovanyati, Chivhu, Holy Cross D, and Muchekeranwa) were completed by late 2025. Major projects like Gwayi-Shangani (72%) and Kunzvi (69%) remain unfinished.

Housing and Land Delivery

- The government initially targeted the delivery of 220,000 housing units, later revising this ambition to 1 million.
- Reported Progress: By December 2024, the government reported 700,000 units delivered.
- Remaining Backlog: Despite these figures, a national housing backlog of 1.5–2 million units persists. Over 1 million households remained without adequate housing as of late 2025, and the mortgage market remains severely limited.

Governance, Devolution, and International Engagement

Governance performance remained stagnant according to international indices, even as the government pursued a "re-engagement" agenda.

Global Rankings and Perception

- **Corruption**: Zimbabwe's 2025 Corruption Perception Index score was 22/100, reflecting persistent poor perceptions.
- **Governance**: Ranked 31st out of 54 African nations on the Ibrahim Index of African Governance (IIAG) (score of 47.1/100).
- **Happiness**: Zimbabwe ranked 143rd out of 147 on the World Happiness Index in 2024.

Key Policy Shifts

- **Human Rights**: The President approved legislation abolishing the death penalty on December 31, 2024.
- **Devolution**: A Devolution and Decentralisation Policy was developed, and 550 professionals were deployed to 10 provinces by April 2025 to support rural industrialisation. However, actual disbursement of funds to local authorities often lagged behind budget allocations.
- **Re-engagement**: Zimbabwe applied to join BRICS in March 2025 and hosted the SADC-EU Ministerial Partnership Dialogue.

Social Services and Human Capital

The Social Services cluster aimed to strengthen access to health and education, but outcomes were undermined by financing gaps.

01 Health Financing

Zimbabwe failed to consistently meet the Abuja Declaration target of 15% budget allocation for health. The allocation fluctuated from 14.2% in 2024 to 10.2% in 2025.

02 Healthcare Realities

Despite the construction of several 22-bed health centres, systems were strained by medicine stock-outs, staff shortages, and the lingering effects of the COVID-19 pandemic.

03 Education

Reconfigured the curriculum to emphasise Science, Technology, Engineering, Arts, and Mathematics and established a Ministry of Skills Audit and Development in 2023.


Photo by Allen Meki

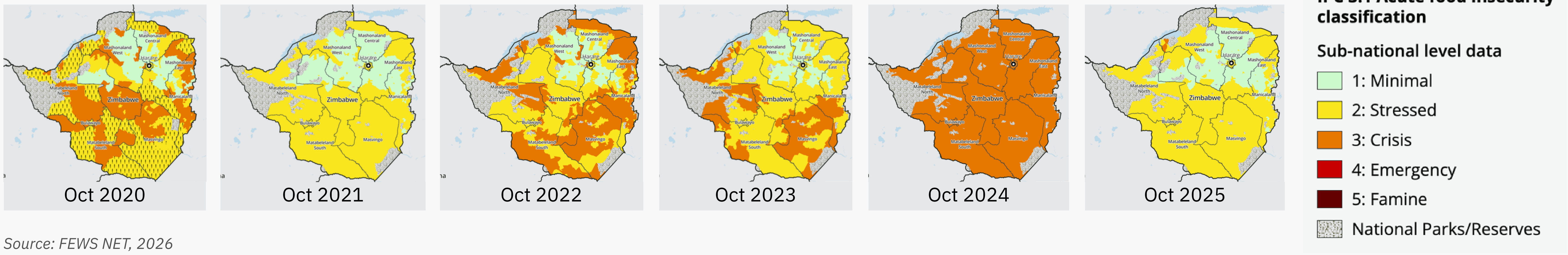
Climate Resilience, Food Systems, and Natural Resources

The cluster focused on "drought-proofing" the economy through climate-smart interventions.

- **Pfumvudza/Intwasa:** This conservation agriculture program reached 1.6 million households. In 2025, over 8 million plots were prepared to strengthen rural livelihoods.
- **Food Security Volatility**: Food sufficiency levels peaked at 82% in 2023 but dropped to 56% in 2024 due to an El Niño-induced drought. Maize production contracted by 64% during this period, necessitating US$2.8 million in relief for 2.7 million people.
- **Environmental Stewardship**: The National Forest Policy was launched in 2023 to enhance forest carbon sinks and devolve management to local communities.

Zimbabwe acute food insecurity

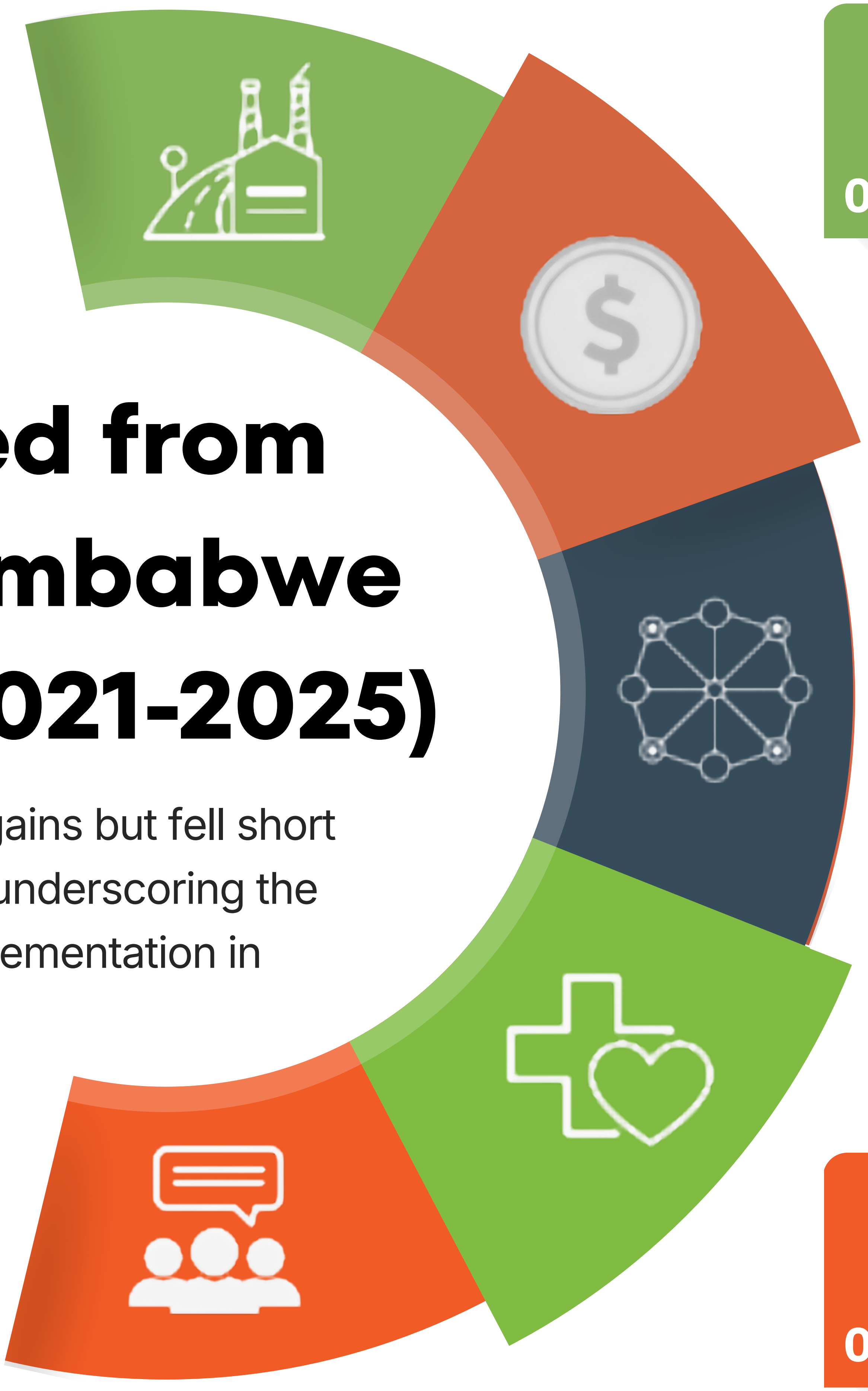
Zimbabwe was affected by the El Niño drought in 2024, which took the nation to crisis levels.



Source: FEWS NET, 2026

Lessons Learned from Tracking the Zimbabwe Government (2021-2025)

NDS1 delivered visible infrastructure gains but fell short on housing, jobs, and governance — underscoring the need for sharper, citizen-centred implementation in NDS2.



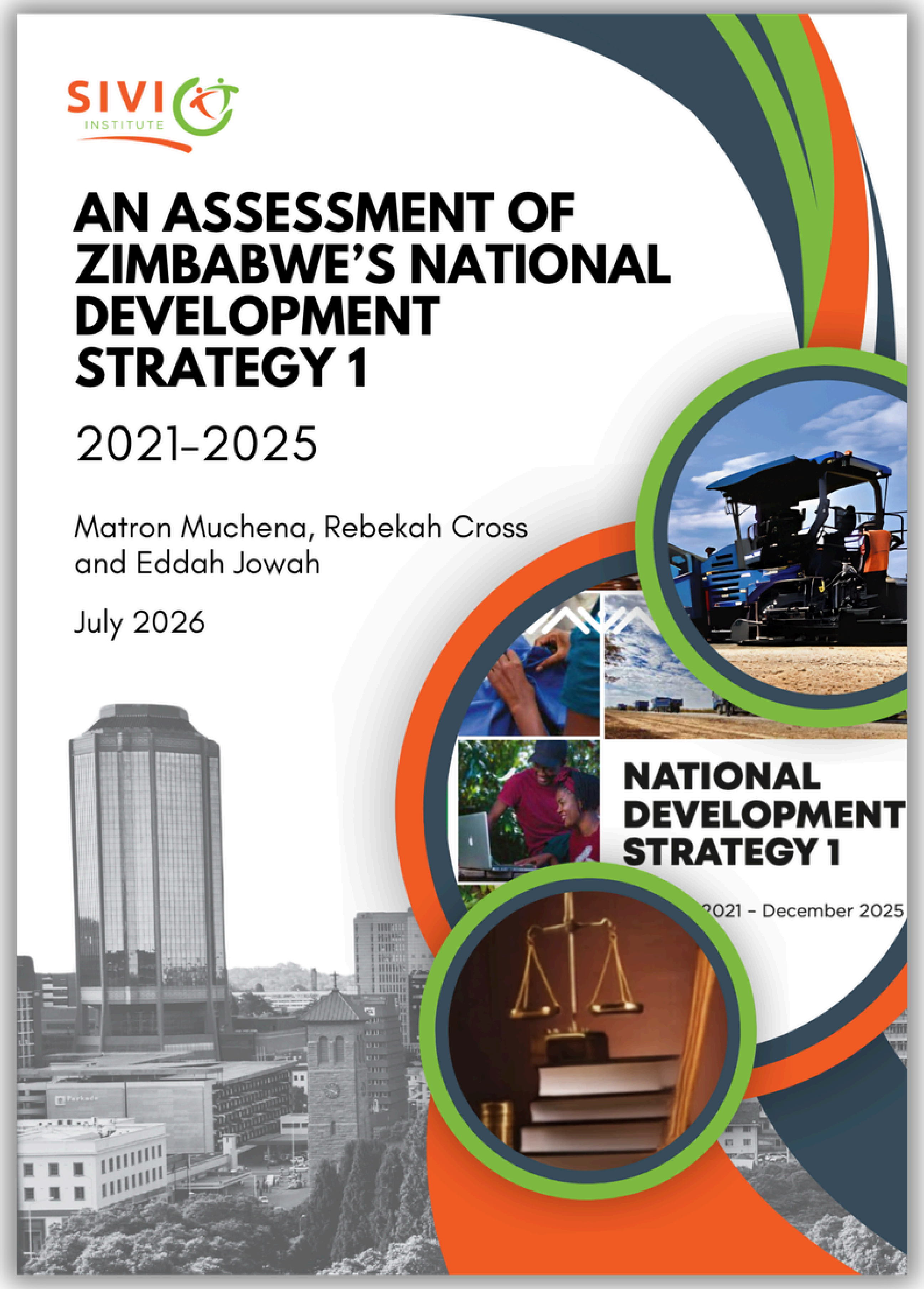
01 Infrastructure investments must be matched with industrialisation and inclusive growth.

02 Fiscal and debt constraints require innovative domestic resource mobilisation.

03 Devolution needs operationalisation beyond policy frameworks.

04 Social services reforms must prioritise service delivery outcomes over policy development.

05 Strategic selectivity risks missing citizen priorities.



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About SIVIO Institute

SIVIO Institute is an independent organisation focused on ensuring that citizens are at the centre of processes of socio-economic and policy change. It aims to contribute towards Africa's inclusive socio-economic transformation. It is borne out of a desire to enhance agency as a stimulus/catalyst for inclusive political and socio-economic transformation. The Institute's work entails multi-disciplinary, cutting edge policy research, nurturing citizens' agency to be part of the change that they want to see and working with communities to mobilise their assets to resolve some of their immediate problems.

The Institute has three centres/programs of work focused on: (i) civic engagement, (ii) philanthropy and communities and (iii) economic development and livelihoods. In the process, the Institute addresses the following problems:

- Inadequate performance of the existing political and economic system
- Increasing poverty and inequality
- Limited coherence of policies across sectors
- Ineffectual participation in public processes by non-state actors
- Increased dependence on external resources and limited leveraging of local resources