

AFRICA RISK CONSULTING

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Zimbabwe Summary 11 September 2025

The South African government has still not commented on the upcoming November expiration date of the Zimbabwean Exemption Permit (ZEP) that allows nearly 200,000 Zimbabweans to legally live in South Africa. The Reserve Bank of Zimbabwe (RBZ) (central bank) outlines its strategy for dedollarisation for the economy, aiming to establish its new structured currency, the Zimbabwe Gold (ZiG), as the sole legal tender by 2030. Government grants Australia-headquartered Invictus Energy's Cabora Bassa development National Project Status (NPS) and signs a Petroleum Production Sharing Agreement (PPSA) with the company.

Zimbabwean ZEP holders face uncertainty in South Africa

Nearly 200,000 Zimbabweans legally living in **South Africa** are facing an [uncertain](#) future as the South African government has not announced an extension or outcome on the renewal of their **Zimbabwean Exemption Permits (ZEP)**, due to expire on 28 November. The ZEP allows Zimbabweans to work, study, and live legally in the country and was established to provide a legal pathway for Zimbabweans who left the country.

South Africa's department of home affairs (DHA) introduced the ZEP in 2017 for eligible Zimbabweans who were living in South Africa on a **Zimbabwean Dispensation Permit**. In December 2021, the DHA discontinued the ZEP and set a deadline of 31 December 2022 for holders of valid ZEPs to switch to another immigration category. Pursuant to legal challenges, the DHA extended the deadline several times and most recently, in November 2024, South Africa's home affairs minister **Leon Schreiber** announced a one-year extension to 28 November 2025.

South African civic organisations including the **Helen Suzman Foundation (HSF)** and the **Consortium for Refugees and Migrants in South Africa (CoRMSA)** [say](#) the ZEP holders are in living in suspense as they cannot make meaningful decisions about their children's schooling, employment, or their future. This South African government's seemingly bureaucratic inaction is set against a backdrop of increasing anti-immigrant sentiment, vividly embodied by groups like **Operation Dudula**. The movement, which advocates for the deportation of undocumented foreigners, has intensified pressure on all migrants, regardless of their status.

In a war of [words](#), Zimbabwe's ruling party, **ZANU-PF**, accused Operation Dudula of being puppets for "*colonial masters*." Operation Dudula's leader, **Zandile Dabula**, retorted by [stating](#) that ZANU-PF itself was the root cause, holding Zimbabweans "*hostage*" through misrule and forcing them to flee. This political slander between a ZANU-PF and Operation Dudula has done little to comfort those caught in the crossfire. For ZEP holders, it simply amplifies the hostility they face daily, painting a target on their backs and conflating their legal status with the wider, more complex issue of undocumented migration.

The situation is further complicated by the seemingly cordial relations at the state level. South Africa's President **Cyril Ramaphosa** (2018-present) opened the **Zimbabwe Agricultural Show** in **Harare** on 29 August, during which [he](#) praised Zimbabwe's contentious land reform programme. South Africans were very critical of this stance, with local analysts and opposition

figures questioning why he did not use the opportunity to [address](#) the "mass migration" issue directly with President **Emmerson Mnangagwa** (2017-present).

The South African government's inaction on the ZEP seems to be an attempt to placate both sides, avoiding a decisive move that would anger voters while delaying a decision that could lead to heightened tensions with Zimbabwe on a diplomatic level and locally.

Zimbabwe on daunting path to dedollarisation

The **Reserve Bank of Zimbabwe (RBZ)** (central bank) governor **John Mushayavanhu** on 2 September outlined the RBZ's dedollarisation strategy. The strategy aims to establish the Zimbabwe Gold (ZiG) as the nation's sole legal tender by 2030, moving away from the **United States (US)** dollar, which has been the backbone of the economy for decades. This monumental shift faces several challenges and is being met with deep scepticism from the industries and banks that must make it work.

The central bank's strategy, as [outlined](#) by Mushayavanhu, is a phased approach. The initial step involves encouraging the use of ZiG for all domestic transactions, including taxes, while allowing the US dollar to continue circulating in the economy. Next steps include building foreign reserves to three to six months of import cover, reducing annual inflation from 94% to single digits by next year and containing the exchange rate premium between the official and parallel market at less than 30%. The goal is to 'demonetise' the US dollar and establish a singular currency regime. The ZiG itself, introduced in April 2024, is the sixth attempt at a local currency in less than two decades.

Under a mono-currency system, individuals and businesses will be allowed to hold local- and foreign-currency denominated accounts but will need to convert foreign currency into ZiG to conduct domestic transactions. Commercial banks will also continue to honour legitimate foreign-currency requirements such as imports, travel and expenses.

The challenges to this plan are profound and stem from a deep-seated distrust in authorities due to policy inconsistencies and corruption allegations. Zimbabweans have seen their savings evaporated multiple times - in 2019, through a statutory instrument, the RBZ suddenly [scrapped](#) the multi-currency system and introduced the RTGS dollar as the sole legal tender. US dollar balances were forcibly converted at 1:1, wiping out savings and debts and leaving a lasting trust deficit. Convincing Zimbabweans to willingly hold salaries and capital in a new local currency, rather than immediately seeking the safety of the US dollar, is a monumental task.

Unsurprisingly, industry reaction has been cautious to the latest plans to convert to a single currency. The **Confederation of Zimbabwe Industries (CZI)**, the country's largest industry group, says it is not opposing dedollarisation in principle but [is](#) urgently pushing the central bank to formalise and clarify its plans. Their concerns are less about the dedollarisation and more about the steps to get there. Businesses, which currently hold most of their assets and conduct international trade in US dollars, require a stable and predictable transition to manage payrolls, price goods, and secure contracts. Banks, the essential conduits for this change, also face their own operational challenges as they must manage a dual-currency system during the transition and ensuring sufficient ZiG liquidity.

Oil & gas project boost as Invictus strikes deals with govt, Qatari firm

Australia-based Invictus Energy's landmark gas project received a massive boost after the Zimbabwe government granted it a **National Project Status (NPS)** and [signed Petroleum Production Sharing Agreement \(PPSA\)](#) with the company in August. In another significant

development, the company also announced that **Qatar's Al Mansoor Investment Group** will buy a 20% stake in the company, [calling](#) it a “*transformational*” partnership.

The NPS is reserved for projects the government considers of strategic importance to the country and considered critical to national economic growth and development. The status provides a range of fiscal and non-fiscal incentives, including duty exemptions, fast-tracked permitting and streamlined access to key infrastructure and services as the project moves towards the development phase.

The cornerstone of this new chapter is the formal execution of the PPSA which governs the commercial terms for the development and production from the **Mukuyu** gas field and the broader **Cabora Bassa** project. The PPSA also provides the essential legal and fiscal framework that de-risks the project for international investors and lenders outlining how the extracted resources will be shared between Invictus Energy and the state, ensuring Zimbabwe receives a fair share of the revenue while providing the company with the stability needed to justify billions in future development capital.

The second, and perhaps more resounding, development is the strategic investment from Al Mansoor Investment Group. The involvement of a heavyweight from the oil-rich **Gulf** region validates the project's technical and commercial viability on a global stage.

The market's reaction to this news was immediate and emphatic. Invictus Energy's stock price - dual-listed on the **Australian Securities Exchange (ASX)** and on the **Victoria Falls Stock Exchange (VFEX)** in Zimbabwe - experienced a significant [surge](#). On the ASX, the stock jumped over 30% following the announcements, reflecting a sharp increase in investor confidence as the PPSA removed a major regulatory overhang that de-risked the project. The Qatari investment provided not just capital but a powerful strategic partner, making the path to production seem more secure.

For the Zimbabwean economy domestic gas production [could](#) power industry, generate electricity, and produce fertilisers, reducing the massive foreign currency expenditure on energy imports and alleviating chronic power shortages. Secondly, it positions Zimbabwe as a future regional energy hub.

While the journey from discovery to full-scale production is long and capital-intensive, the sealing of the PPSA and the entrance of a Qatari giant have fundamentally altered the trajectory of Invictus Energy's project. It is no longer just a promising exploration story; it is a nationally significant development project on the cusp of reality, poised to fuel Zimbabwe's economic recovery.

Planner

29 Sep 2025 **Harare (Zimbabwe) Reserve Bank of Zimbabwe** (central bank) **Monetary Policy Committee** decision announcement

Nov 2025 **Harare (Zimbabwe)** 2026 National Budget announcement

28 Nov 2025 **(South Africa)** Expiry of special residence permits for Zimbabweans living in South Africa

Chronology

7 Sep 2025 **Harare (Zimbabwe) Herald**. Government introduces new regulations to restrict grain and oilseed imports, requiring millers and processors to increasingly source raw materials locally to strengthen food sovereignty and industrial self-reliance;

5 Sep 2025 **Harare (Zimbabwe)** *Zimbabwe Independent*. Zimbabwe secures the bid to host the permanent headquarters of the **Intra-African Trade Fair (IATF)**, with the new entity, to be established in Harare, capitalised with an initial \$28m seed fund from the **Cairo-based African Export-Import Bank (Afreximbank)**;

5 Sep 2025 **Harare (Zimbabwe)** *Zimbabwe Independent*. **Cayman Islands**-headquartered **Namib Minerals** CEO, **Ibrahima Sory Tall**, tours the **Mazowe, Redwing, and How** mines in and says the company is pressing ahead with groundwork for a \$300m investment to restore and expand operations at its gold assets in the country;

4 Sep 2025 **Harare (Zimbabwe)** *Reuters*. Zimbabwe can start exporting blueberries to **China** after it agreed a protocol on phytosanitary standards, an agreement concluded during President **Emmerson Mnangagwa's** visit to China;

4 Sep 2025 **Harare (Zimbabwe)** *Herald*. President **Emmerson Mnangagwa** concludes a state visit to **China**, with Chinese companies exploring investment in Zimbabwe;

3 Sep 2025 **Harare (Zimbabwe)** *Zimlive*. Government allocates \$5.3m to political parties represented in parliament, with the ruling **ZANU-PF** receiving the largest share in line with its 2023 election victory;

3 Sep 2025 **Harare (Zimbabwe)** *Zimlive*. **Power China** says Zimbabwe's flagship **Hwange Power Station** expansion has achieved its highest-ever electricity output since coming online last year, generating 498 million kilowatt hours (kWh) in August alone;

2 Sep 2025 **Beijing (China)** *Zimlive*. President **Emmerson Mnangagwa** meets with executives of the **China Railway Group** to discuss a deal reportedly worth \$533m to revamp the country's decaying railway infrastructure;

2 Sep 2025 **Harare (Zimbabwe)** *Herald*. **OK Zimbabwe's** returning CEO, **Willard Zireva**, unveils a comprehensive turnaround strategy to restore financial stability, rebuild supplier relations and regain consumer trust after finding the company burdened by debt and struggling with stock shortages;

2 Sep 2025 **Harare (Zimbabwe)** *Newswire*. **Australia**-based energy explorer, **Invictus Energy** seals a partnership with **Qatar's Al Mansour Holdings** to develop Zimbabwe's first gas project, with Al Mansour acquiring a 19.9% equity stake in Invictus for \$24.5m, pledging up to \$500m in additional financing to take the **Mukuyu** gas discovery to commercial production;

2 Sep 2025 **Harare (Zimbabwe)** *Newsday*. Ruling **ZANU-PF** party commissar **Munyaradzi Machacha** says **United States (US)**-sanctioned businessman, **Kudakwashe Tagwirei** is not yet a central committee member, contradicting the party's legal chief **Patrick Chinamasa** who is on record saying the controversial co-option is a done deal;

30 Aug 2025 **Chitungwiza (Zimbabwe)** *New Zimbabwe*. Unknown attackers bomb the home of opposition leader **Job Sikhala**, while only his children were inside, leaving them unharmed;

30 Aug 2025 **Harare (Zimbabwe)** *The Zimbabwe Mail*. President **Emmerson Mnangagwa** meets **Pope Leo XIV** at the **Apostolic Palace** in the **Vatican** to hold discussions covering Zimbabwe's political and economic situation;

28 Aug 2025 **Harare (Zimbabwe)** *Newsday*. **ZimStat** reports the annual inflation rate slowed marginally in August, with price growth in the ZiG currency easing to 93.8%, down from 95.8% in July, highlighting persistent cost pressures despite tighter monetary policy;

28 Aug 2025 **Harare (Zimbabwe)** *Herald*. **ZimTrade** is promoting Zimbabwean exports at **Mozambique's** ongoing **Agriculture, Commercial and Industrial Fair** from 25 to 31 August;

26 Aug 2025 **Harare (Zimbabwe)** *Herald*. **Reserve Bank of Zimbabwe** (central bank) begins producing redesigned ZiG banknotes with enhanced security features and improved durability as part of a five-year de-dollarisation plan toward a mono-currency regime;

25 Aug 2025 **Harare (Zimbabwe)** *New Zimbabwe*. Zimbabwe reinstates its ban on maize imports following a significant recovery in domestic production, making the country self-sufficient for its milling needs, aiming to support local farmers and conserve foreign currency;

20 Aug 2025 **Harare (Zimbabwe)** *Reuters*. **United States (US)** embassy confirms it has, as of 7 August, stopped processing most visas in Zimbabwe, citing unspecified concerns with the government, and clarifies that current visas remain valid and the measure is not a travel ban;

19 Aug 2025 **Harare (Zimbabwe)** *New Zimbabwe*. The banking sector faces significant disruptions due to a technical issue with the **Reserve Bank of Zimbabwe's (RBZ)** (central bank) **Real-Time Gross Settlement (RTGS)** system;

18 Aug 2025 **Harare (Zimbabwe)** *Herald*. President **Emmerson Mnangagwa** arrives in **Japan** for the **9th Tokyo International Conference on African Development (TICAD9)**, aiming to attract investment and align Zimbabwe's **Vision 2030** with TICAD's focus on infrastructure, industrialisation, health, agriculture and peace;

15 Aug 2025 **Harare (Zimbabwe)** *Reuters*. **China**-headquartered **Tsingshan Holding Group** confirms plans to invest \$800m in its steel plant as it aims to increase capacity from 600,000 metric tonnes to 1.2 million;

14 Aug 2025 **Harare (Zimbabwe)** *Herald*. **Fidelity Gold Refinery**, the country's sole authorised gold buyer, reports that between January and July, gold production surged 29% to 24.31 tonnes, driven largely by small-scale miners;

13 Aug 2025 **Harare (Zimbabwe)** *Mining Weekly*. Mining companies report that laboratories are struggling to cope with a surge in mineral samples submitted by mines ramping up exploration activity in response to record gold prices;

12 Aug 2025 **Harare (Zimbabwe)** *Herald*. Most Zimbabwean banks surpass the **Reserve Bank of Zimbabwe's** (central bank) minimum capital requirements, with 17 out of 19 institutions reporting strong core capital levels, led by **CBZ Bank** at \$213m;

7 Aug 2025 **Harare (Zimbabwe)** *Herald*. Lands, agriculture, fisheries, water and rural development permanent secretary, **Obert Jiri**, says the 2025 tobacco marketing season closed with a record 352.7 million kilogrammes sold, generating \$1.2 billion, surpassing the national target and prompting a shift towards increased local value addition and processing;

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