



ZIMBABWE REVENUE AUTHORITY

STRATEGIC PLAN

[2019 - 2023]



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(i) CHAIRMAN'S FOREWORD



Dr. Callisto Jokonya (ZIMRA Board Chairman)

Welcome to our Strategic Plan, an important document that explains how we will meet our operational objectives of revenue collection and enhancing trade development for the period 1 January 2019 to 31 December 2023.

The new board of directors and a new five-year strategy for Zimbabwe Revenue Authority are a perfect opportunity for bringing new thinking into this strategic institution in the economic development for Zimbabwe. ZIMRA is arguably the largest revenue collection entity in Zimbabwe and should be driven by radical management attitudes that deliver outstanding success. A positive mental attitude is the driving force needed to bring the projected results in this strategic plan into reality.

The ground around us is constantly shifting and change is inevitable. The future, for some, is a frightening place. I disagree. I see and relish a future of immense possibility. The time is now to

harness our collective potential and marshal that energy for our country.

This Strategic Plan explains how we will achieve our four key results which are to:

- Strengthen institutional image
- Maximize revenue collection
- Increase voluntary compliance and
- Enhance trade facilitation and protection of civil society

in order to meet our overarching mandate as an agent of the State in terms of the Revenue Authority Act.

Planning around risks sets out the context in which we operate and plays an important role in influencing our priorities. We identify culture change and governance as critical among our priorities below:

- Grow tax-base and enhance integrated data management
- Enhance service delivery and taxpayer education
- Increase security and agility in the international flow of goods and persons

We also remain alive to the risk and potential rewards of technological innovation which seek to push up the quality of service and allows us to take a proactive approach to policy advice, supervision, enforcement and revenue assurance which, combined, deter non-compliance behaviour.

I hope that both our Civil Society and the Business Partners will find this Strategic Plan useful, and I look forward to our continued collaboration over the next five years.

(ii) COMMISSIONER GENERAL'S MESSAGE



Ms. Faith Mazani (ZIMRA Commissioner General)

I am humbled and greatly honoured to present a strategy which endeavours to build and sustain linkages and collaborations with all our stakeholders.

Our Strategic Plan expresses the future aspirations of all the stakeholders as an Integrated Results Based Management (IRBM) framework. This facilitates efficient and sustainable utilisation of resources, enhances synergies and exploits our strengths and the available opportunities to confront any threats to

realising our National Vision 2030. ZIMRA Management will implement Strategies to support Three Pillars of the Government's Transitional Stabilisation Programme, namely:

- ✓ 1 : Ease of doing business
- ✓ 2 : Restoration of Fiscal Balance
- ✓ 3 : Plugging of Revenue Leakages

We seek to achieve our desired results through various strategies anchored on a strong foundation, the 4Ps namely:

- ✓ People
- ✓ Processes
- ✓ Partnerships and
- ✓ Projects

Our innovation processes identified 12 priority projects that will help us achieve our Strategic Goals in order to fulfil our purpose. Due to the fiscal gap and the need to avail considerable resources over the next 5 years, we will require external partnerships and assistance in funding these projects. I am confident that this Strategic Plan will guide our priorities and operations as we embark on our journey together for the next five years towards the development of our country.



1. INTRODUCTION AND BACKGROUND

This document is the Strategic Plan for the Zimbabwe Revenue Authority (ZIMRA) for the period 2019-2023 developed in line with the Integrated Results Based Management System being implemented by the Government of Zimbabwe (GOZ).

In drawing up this Strategic Plan, consultations were done so as to pay due regard to any representations and recommendations by the Minister of Finance and Economic Development (MoFED) in compliance with the Public Entities Corporate Governance ACT [CHAPTER 10:31]

This Strategic Plan seeks to establish a Strategy Map of the strategic results, processes, programmes, projects, activities and direction that ZIMRA communicates to its stakeholders, clients, partners and employees. It also establishes the ZIMRA vision, mission, core values, key result areas, goals, activities and strategies that ZIMRA will focus on in the short to medium term to achieve the desired outputs, outcomes and impacts. The initiatives from this strategic plan will be assessed on the achievement of the

anticipated results in terms of the ZIMRA budgets, annual work and performance monitoring plans and will be the basis of performance contracts for the Board and Executive Management.

The Government of Zimbabwe has put in place the Transitional Stabilisation Programme (TSP) which is the national development plan that set the national priorities for the new Vision: *“Towards a Prosperous & Empowered Upper Middle Income Society by 2030”*.

This Integrated Results Based Strategic Plan also seeks to define ZIMRA’s contribution to the attainment of the Ministry of Finance and Economic Development (MoFED) Vision “Sustained inclusive growth and macroeconomic stability for an upper middle-income economy by 2030.”

This document analyses the internal and external environment as well as the Business Model as it aims to articulate ZIMRA contribution to Vision 2030 through its contribution to the MoFED Strategy.



2. NATIONAL VISION 2030 AND TRANSITION STABILISATION PROGRAMME

2.1 NATIONAL VISION AND PRIORITIES

Towards a prosperous and empowered upper middle-income society with job opportunities and a high quality of life for its citizens by 2030

NATIONAL KEY RESULT AREAS

1. Sustainable Economic Growth
2. Good Governance
3. Infrastructure Development
4. Prevention and alleviation of HIV and AIDS
5. Aids and other serious diseases
6. Improved access to affordable and quality basic social services
7. Poverty reduction
8. Promotion of Gender and Employment of Women
9. Safe, secure and peaceful environment
10. Institutional capacity and human capital development
11. Employment creation
12. Environmental sustainability

NATIONAL PRIORITIES

1. Inclusive Economic Growth
2. Social Development
3. Governance
4. Cross-cutting Enablers
5. Macro-Economic Stability & Financial Re-engagement

2.2 Transitional Stabilisation Programme (TSP) 2019-2020

ZIMRA's strategy (2019-2023) is guided by Zimbabwe's National Vision 2030, "Towards a Prosperous & Empowered Upper Middle Income Society by 2030" and the Transitional Stabilisation Programme (TSP). The Strategy addresses the following pillars in the TSP

- Resource Mobilization
- Ease of Doing Business Reforms
- Plugging Revenue Leakages



3. ZIMRA'S TERMS OF REFERENCE AND MANDATE

3.1 TERMS OF REFERENCE

ZIMRA derives its mandate mainly from the Revenue Authority Act (23:11), the Customs and Excise Act (CAP 23:02), other subsidiary Statutory Legislation, Statutory Instruments, Government Directives and other Acts shown below:

- a. Revenue Authority Act Chapter 23:11
- b. Finance Act [Chapter :04]
- c. Customs and Excise [Chapter 23:02]
- d. Income Tax Act [Chapter 23:06]
- e. Value Added Tax Act [Chapter 23:12]
- f. Capital Gains Tax Act [Chapter 23:01]
- g. Exchange Control Act [Chapter 22:05] 5(1), 10,]
- h. Tax Reserve Certificate Act [Chapter 23:10]

3.2 ZIMRA's Overall Mandate

ZIMRA is mandated by law to:

- Act as an agent of the State in assessing, collecting and enforcing the payment of all revenues; and
- Advise the Minister of Finance & Economic Development on matters relating to the raising and collection of revenues; and
- Act as an agent of the state to enforce the import and export controls; and
- Perform any other function that may be conferred or imposed on the Authority in terms of Revenue Authority Act, Government directive or any other enactment

4. **EXTENAL ENVIRONMENT ANALYSIS (PESTEL ANALYSIS)**

Table 2: External environment analysis done in June 2018

<p>POLITICAL</p> <p><u>Opportunities</u></p> <p>Cordial relations</p> <p>National</p> <ul style="list-style-type: none"> • There is emphasis or demonstration on peace and unity from the highest Authority. • Calm political environment currently obtaining leading up to the elections. <p>Regional</p> <ul style="list-style-type: none"> • Member of the following bodies: SADC, COMESA, East and Southern Africa (ESA). <p>International</p> <ul style="list-style-type: none"> • Open for business agenda. • Re-engagements with the international community. • Transparency in the election process through invitation of international election observers <p>Political Stability</p> <ul style="list-style-type: none"> • High investor confidence. • Re-engagement of international community. <p>The above encourages foreign direct investment and local economic activity which translates to economic growth hence increased revenue base which will lead to increased collections by ZIMRA.</p> <p>POLITICAL THREATS</p> <ul style="list-style-type: none"> • Political interference with ZIMRA operations 	<p>ECONOMIC</p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Attractive investor destination increasing hope that they will be a boost in foreign direct investment flowing into the country. Boost • International reengagement which has resulted in business engagements, increased technical support as well as conclusion of Mutual Administrative Assistants Agreements (MMAAs), Double Taxation agreements and Memorandum of understanding with other jurisdictions which will certainly have a positive economic impact. • Bilateral and multilateral agreements on trade and administrative assistants. • The Special Economic Zones which will play a major role in boasting economic activity. This is expected to go a long way in increasing industry performance in general. • The improved performance in industry sectors like Energy, Mining, Agriculture and Tourism has created renewed hope for the economy • The creation of the Zimbabwe Investment Development Authority (ZIDA) will result in easy of doing business and accounting for all investments in the country. <p><u>Threats</u></p> <ul style="list-style-type: none"> • Foreign exchange remains a major challenge coupled with liquidity challenges and cash shortages. • Creation of a multi-pricing system in the economy, which has eroded purchasing power and consumer spending patterns.
<p>SGCIAL</p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Diverse culture in Zimbabwe - Diverse ideas(innovation) • Availability of skilled and educated manpower • Growing informal sector 	<p>TECHNOLOGICAL</p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> • National ICT policy developed to embrace ICT innovation: ZIMRA has opportunity to align its ICT policy with national policy. • Technological improvements on scanners can be used to deal with congestion at border posts.



<p><u>Threats</u></p> <ul style="list-style-type: none"> • Diverse culture - Inheritance of bad practices/culture e.g. non-compliance • Highly educated people - Increase in sophisticated white collar crimes e.g. cyber-crimes • Brain drain - Loss of skilled and educated manpower • Non-communicable, epidemic and endemic diseases such as HIV/AIDS, Cancer, malaria -Increased public expenditure, Extinction of active labour force. • High levels of unemployment - Erodes tax base, Increase in social ills, Security threat. • High levels of social ills – corruption, fraud, smuggling, non-compliance, prostitution, money-laundering, substance abuse; <ul style="list-style-type: none"> ✓ Erodes tax base ✓ Threat to productivity ✓ Lose of manpower ✓ High country risk 	<ul style="list-style-type: none"> • Queue management technologies to deal with congestion at border posts and offices. • Use of SMS and e-mails to communicate with clients including sending confirmations for transactions. • Business intelligence & artificial intelligence (allows analysis), big data (used to support social networks) • Improvements in storage technologies which allows all information to be stored and to be readily available: Will facilitate data warehousing initiatives in ZIMRA. • Access to global resources – cloud computing and support for new technologies. Can be supported even without physical presence. • Improved communication capacity due to new technologies and declining communication costs. <p><u>Threats</u></p> <ul style="list-style-type: none"> • Fraud, hacking, spam, cybercrime & ransomware – related to security of data/systems. • Data security and confidentiality threats. • Rapid technological changes: Obsolescence - inability to keep pace with changes. • Failure to keep pace with technologies – need to keep pace with upgrades etc. • Technology failure and resultant downtime and disruptions. • Use of new, complicated and unregulated new technologies such as cryptocurrencies that affect Authority’s capacity to account for tax. Includes difficult to tax e-commerce transactions (online transactions) • Virtual companies.
<p>LEGAL</p> <p><u>Threats</u></p> <ul style="list-style-type: none"> • Retrospective laws resulting in refunds or creation of debt • Lack of transitional periods for new laws in some case. e.g. business could have ordered goods in advance or goods on high seas. • Disconnect between pronouncement and gazetting/promulgation .e.g. tax amnesty • Non-aligned laws e.g. HS tariff issues • Archaic laws e.g. Income Tax, postal notification • Trade barrier laws e.g.SI 64 • Policy inconsistencies(promise and failure to follow up with legislation) • Delays in the promulgation of laws 	<p>ENVIRONMENTAL</p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Good weather for growth tourism and agriculture thereby increasing the revenue base. E.g. maize, tobacco, livestock • Abundance of renewable energy sources that can be exploited commercially e.g. solar ,wind ,biogas, hydro • Conservation of waterbodies for tourism and farming opportunities <p><u>Threats</u></p> <ul style="list-style-type: none"> • Climate Changes causing prolonged uncertainty to farming sector.



- Lack of consultation e.g. wheat ,tobacco
- Delays in the judicial processes
- Too many controls

Opportunities

- Review of the indigenisation law – more FDI

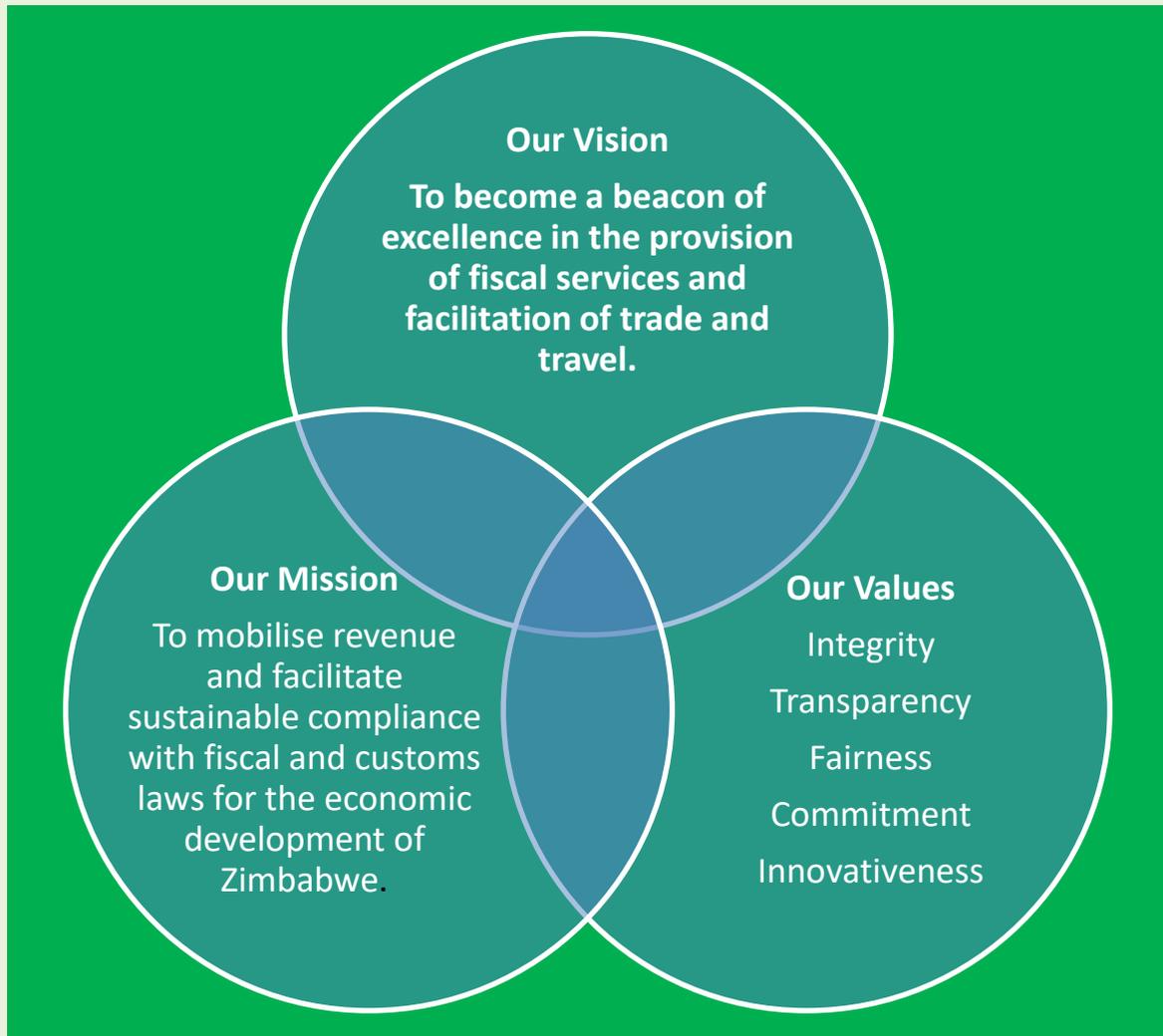
- Drought affecting farming, veld fires affecting animal farming.
- Deforestation resulting in desertification, destabilization of the ecosystem leading to low productivity.
- Increasing housing projects in wetlands affecting rainfall patterns and productivity.

5. INTERNAL STRATEGIC ANALYSIS (SWOT ANALYSIS)

Table 3; Internal SWOT analysis

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Good corporate governance • Empowerment through legislation • Skilled and experienced staff (appropriate development programmes in place and a strong learning culture) • Clear Vision • Effective planning process • Young workforce coming up • Progressive CG (supportive leadership) • Countrywide presence 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Inadequate resources – human, financial, equipment, infrastructure, aged and impaired assets • Internal corruption – corrupt staff members • Failure to retain skills • Poor internal communication • Systems challenges – lack of integration, poor connectivity, systems uptime, inadequate functionality • Labour issues – litigious workforce, unsatisfactory handling of labour issues • Manual processes • Poor policy and poor policy implementation – Transfer Policy, Uniform Policy, Motor Vehicle Policy, Asset Disposal Policy, ICT Security Policy, Advancement Policy • Poor disaster recovery preparedness
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Increased international trade through Trade Agreements • Growing tax base from the untapped informal sector • Availability of educated and skilled manpower in the country • Abundance of technological innovations to improve efficiency • Increased foreign direct investment to widen the tax base • Additional revenue opportunities from improved performance in Agriculture, Mining, Energy and Tourism sectors • Technical and financial support from international community 	<p>THREATS</p> <ul style="list-style-type: none"> • Inadequate national consultation on fiscal policies resulting in implementation challenges and erosion of tax base • Failure to implement taxation laws due to political interference resulting in erosion of the tax base • Creation of laws with retrospective effect • Revenue leakages due to cyber threats, e-commerce, e-currencies, corruption, tax evasion, smuggling, fraud and informal sector • Insufficient recurrent and capital expenditure funding for strategic plan implementation • Poor economic performance resulting in high unemployment, low industrial capacity utilization that erodes the tax base • Inadequate infrastructure that impedes business growth and trade facilitation • Slow justice delivery system resulting in delayed finalization of revenue disputes

6. ZIMRA'S VISION, MISSION AND VALUES



7. ZIMRA’S KEY RESULT AREAS (KRA) , STRATEGIC GOALS AND PERFORMANCE MATRIX (2019-2023)

7.1 ZIMRA’S BROAD CORPORATE KEY RESULT AREAS (2019-2023)

All ZIMRA’s strategic initiatives (2019-2023) will be guided and focused on the Corporate Key Result Areas (KRA’s) summarized below i.e. ZIMRA Strategic efforts will be towards:

- Mobilising Maximum Revenue (KRA1 : Revenue Collection),
- Facilitation of smooth trade (KRA 2: Trade Facilitation) and
- Improvement of Institutional Image (KRA3 : Institutional Image)

Table 11: ZIMRA’s Corporate Key Result Areas (KRA)

No.	Key Result Area	Weightage	Responsible Department/s	Ministry KRA Reference	Linkages to Macro Priorities (Reference and Description)	SDG Reference
KRA1	Revenue Collection	60%	Domestic Taxes, Revenue Assurance and Special Projects, Customs and Excise	KRA1	1. Inclusive economic growth	SDG 8
KRA2	Trade Facilitation	20%	Customs and Excise, ECTS,	KRA1	5. Macro-economic stability and financial re-engagement	SDG 9
KRA3	Institutional Image	20%	All	KRA5	3. Governance	SDG 17

These above broad Corporate Key Result Areas are further split into the following ZIMRA Strategic Goals (2019-2023)

7.2 ZIMRA STRATEGIC GOALS (2019-2023)

ZIMRA’s Strategic Goals (2019-2023) as depicted in ZIMRA’s Strategic Map are classified into the following three Strategic Perspectives

- Results Perspective
- Internal Processes and Systems Perspective
- People and Resources Perspective

Results Perspective / Outcomes

The Results Perspective has four Strategic Goals that reflect ZIMRA’s desired results during the next 5 years (2019-2023). The table below summarises the Strategic Goals and their descriptions:

Table 10: ZIMRA Strategic Goals under Results / Outcomes Perspective

Results / Outcomes Perspective		
SG Ref	Strategic Goal	Description
SG1	Maximize Revenue collection	Mobilising and collecting sustainable revenues, in order to adequately fund Government operations.
SG2	Enhance trade facilitation and protection of society	This entails expediting the movement, enforcement of regulatory controls, clearance and release of goods including goods in transit in compliance with international standards, treaties, protocols and conventions in which the country is a signatory.
SG3	Increase voluntary compliance	Develop and implement strategies that facilitate complete, accurate and timeous declarations, filing and payment of taxes due. This includes facilitative compliance initiatives such as cooperative compliance
SG4	Strengthen institutional image	Increase confidence by clients and stakeholders for a better perception of the organisation

Strategic Goals under the Internal Processes and Systems Perspective

The Internal Processes and Systems Perspective has eight Strategic Goals which reflect what ZIMRA will do under Internal Processes and systems. The table below summarises the Strategic Goals (SG) under the internal Processes and Systems Perspective and their descriptions:

Table 9: ZIMRA Strategic Goals under Internal Processes and Systems Perspective

Internal Processes and Systems Perspective		
SG Ref	Strategic Goal	Description
SG5	Increase security and agility in the international flow of goods and persons	To ensure ZIMRA is well-positioned to secure the global supply chain in conformance with international standards and best practices on supply chain safety.
SG6	Grow tax base and enhance integrated data management	Bringing all potential and eligible taxpayers into the ZIMRA database through proposal of fiscal reforms, other expansion initiatives and development and

		utilising of integrated ICT systems with both internal and key external stakeholders.
SG7	Enhance service delivery and taxpayer education	This entails delivery of service in accordance with ZIMRA client charter and good international practise by ensuring timeous information dissemination and awareness to the society on taxation through various channels.
SG8	Increase risk based tax and customs compliance	Develop and implement target oriented core tax audits/investigations from a centralised data warehouse.
SG9	Implement Results Oriented Strategic Management	This involves adopting strategic management processes that focus on delivering desired outcomes.
SG10	Simplify processes and procedures	Identifying, simplifying, re-engineering and automating all business processes to improve effectiveness and efficiency to meet stakeholder expectations
SG11	Strengthen ethics, integrity and Enterprise risk management	This entails upholding ZIMRA’s core values and ethics. It also involves designing a plan-based strategy that identifies potential events that may affect the attainment of the Authority’s objectives, managing them and giving assurance that the risks remain within acceptable levels
SG12	Improve Communication and Partnerships	Leveraging external support to learn best practices and manage internal communication

Strategic Goals under the People and Resources Perspective

The People and Resources perspective has four Strategic Goals which reflect objectives centred on ZIMRA Staff Members and the required resources in order to achieve the desired strategic resources. The table below summarises the Strategic Goals under the People and Resources Perspective and their description:

Table 8: ZIMRA Strategic Goals under People and Resources Perspective

People and Resources Perspective		
SG Ref	Strategic Goal	Description
SG13	Ensure Timely and Adequate Funding	This entails the availing of sufficient resources as and when required to support the organisational projects, business operations and strategy.



SG14	Enhance staff capacity and retention	This entails timeously attracting, developing and retaining talent that is dedicated and motivated to support the attainment of the Authority’s mandate.
SG15	Modernise Infrastructure (including ICT) and ICT Systems	Provision of adequate offices, staff accommodation and facilities to improve operational efficiency and also updating ICT systems, data centres and interfacing to external systems in order to achieve mutual synergies, which in turn will maximise revenue collection and operational efficiencies.
SG16	Strengthen performance driven culture	This involves improvement of staff performance and behaviours to meet organisational standards

7.3 ZIMRA’s Strategic MAP (2019-2023)

The Strategic Map shown on the next page is a summary of the Strategic Goals under the different perspectives and how they feed into ZIMRA’s Vision and Mission. ZIMRA’s strategic initiatives will mainly support the following Transitional Stabilisation Programme (TSP) National Strategic Pillars:

- Ease of doing business
- Restoration of Fiscal Balance
- Plugging of Revenue Leakage

The Strategic Objectives (SG) depicted in ZIMRA’s Strategic Map are all cascaded down to relevant Divisions / Departmental Strategies with detailed strategic initiatives for each strategic goal.

7.4 ZIMRA's four Ps – foundation of the ZIMRA's strategy

ZIMRA's strategy is anchored on the following 4Ps:

People



Having the right people (staff members) with the right skills and right attitude to execute the strategy. This entails right recruitment, appropriate human capital development and staff motivation.

Processes



Development and implementation of effective, efficient and simplified processes that enable the organisation to meet its service targets within budget (cost – effective). ZIMRA will carry out a Business Re-engineering Project in to increase operational efficiency.

Partnerships



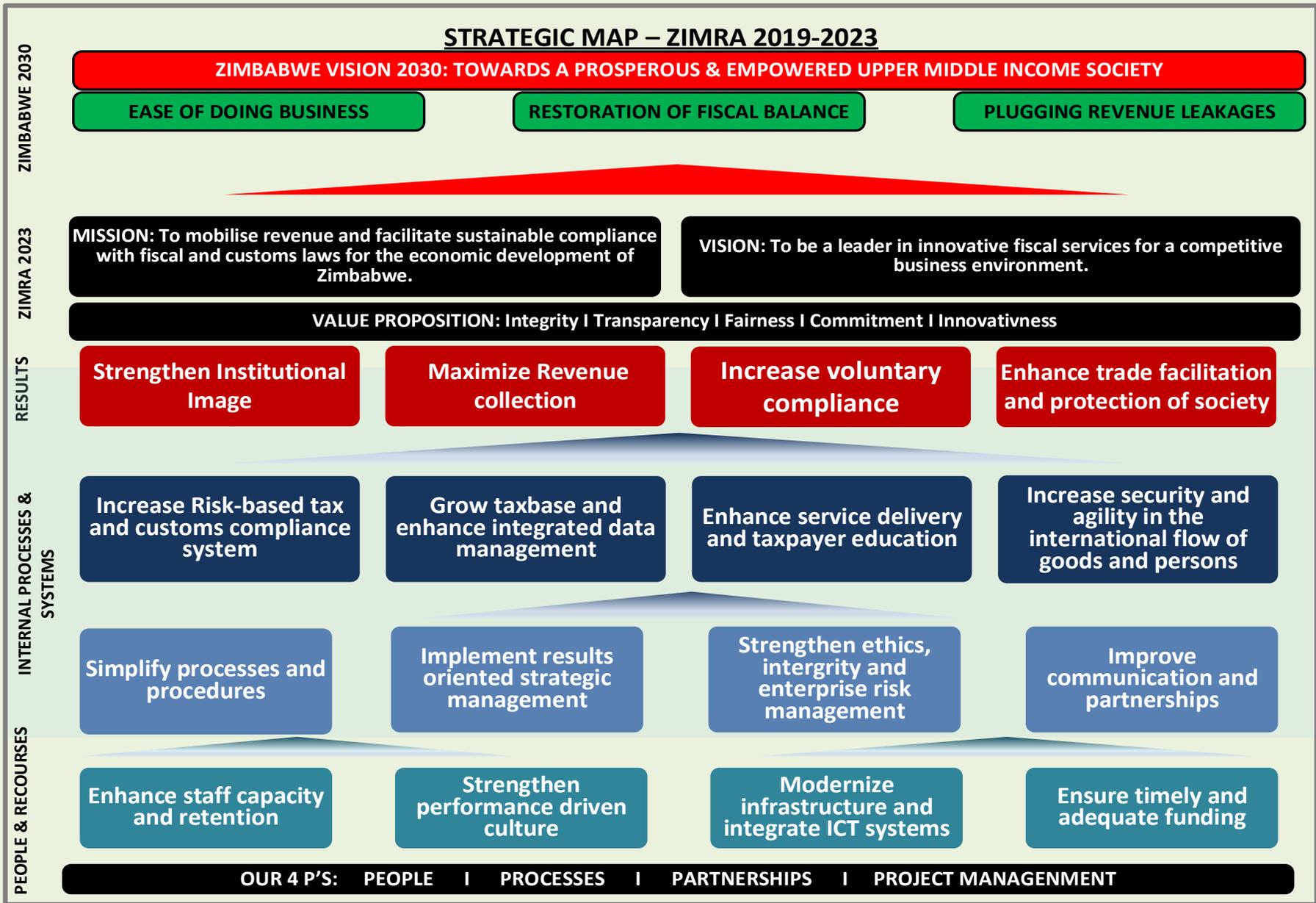
Building win-win strategic partnerships with Taxpayers in order to promote voluntary compliance and effective partnerships with other stakeholders to support the delivery of value to customers.

Projects



Adoption and application of international best practice Project Management to ensure that ZIMRA's Projects are delivered in time and within cost budget.

Below is ZIMRA's Strategic Map which summarises ZIMRA's Strategic Goals (2019-2023)





7.5 ZIMRA’S Strategy Performance Matrix

The Strategy Performance Matrix below shows the Key Performance Indicators (KPI) for each Strategic Goal and how they will be measured (metrics / calculation). The Matrix also shows previous performance trends on the KPIs (baseline) and annual targets for 2019-2023. This forms the basis for ZIMRA’s strategy evaluation.

Table 3: Strategy Performance Matrix (2019-2023)

SG REF	STRATEGIC GOAL	KEY PERFORMANCE INDICATOR	METRICS/CALCULATION	BASELINE	TARGETS
SG1	Maximize Revenue collection	Revenue collected to Ministry of Finance and Economic Development Target	Gross collections less Refunds and Non-revenue collections/ Ministry of Finance and Economic target	2015- 93.04% 2016- 91.05% 2017- 108% 2018- 119%	2019 –100% of target 2020 – 100% of target 2021 – 100% of target 2022 – 100% of target 2023 – 100% of target
SG2	Enhance trade facilitation and protection of society	Time taken for import clearances	ZIMRA average processing time for imports	2015-3 Hours 2016-3 hours 2017-3 hours 2018-3 hours	2019 – 2.5 hrs 2020 – 2 hrs 2021 – 1.5 hrs 2022 - 1.4 hrs 2023 – 1 hr
		Time taken for export clearance	ZIMRA average processing time for exports	2015-3 Hours 2016-3 hours 2017-3 hours 2018-3 hours	2019 – 2.5 hrs 2020 – 2 hrs 2021 – 1.5 hrs 2022 - 1.4 hrs



					2023 – 1 hr
SG3	Increase voluntary compliance	% On-time remittances of core taxes	Total number of remittances on time / Total number of expected remittances due per Core taxes.	Not tracked in TADAT format 2018 Q3 – 34%	2019 – 50% 2020 – 55% 2021 - 70% 2022 – 80% 2023 – 90%
		% On-time filling of returns	Total number of returns filled by the due date / Number of expected returns	Not tracked in TADAT format 2018 Q3 – 30.21%	2019 – 50% 2020 – 55% 2021 - 70% 2022 – 80% 2023 – 90%
SG4	Strengthen institutional image	Number of communication channels used	Number of communication channels used vs available	2016 – 8 2017 – 9 2018 – 10	2019 – 12 2020 – 15 2021 – 17 2022 – 19 2023 – 20
		Positive coverage	Positive coverage vs total coverage	2018 – 64.7%	2019 – 65% 2020 – 68% 2021 – 70% 2022 – 71% 2023 – 72%
SG5	Increase security and agility in the international flow of goods and persons	High risk cargo hit rate	At least 20% hits versus selected high risk cargo	2015- 3071 2016- 2795 2017- 2917 (4.9%)	2019 – 8% 2020 – 11% 2021 – 14% 2022 - 17% 2023 – 20%



SG6	Grow tax base and enhance integrated data management	Number of new taxpayers registered	Newly registered taxpayers/ Opening number of taxpayers on the Tax base	2015=10.90% (16,316/15,012) 2016=10.40% (16,294/15,615) 2017=15.80% (26,104/16,510) 2018= 4.64%(8777/18900)	2019 – 50 000 2020 – 55 000 2021 – 60 000 2022 – 65 000 2023 – 70 000
		%age amount collected from new taxpayers /total revenue collected	Amount collected from new taxpayers divided by the total revenue collected	2018 – 0.84%	2019 - 2% 2020 – 2% 2021 – 2% 2022 -2% 2023 -2%
SG7	Enhance service delivery and taxpayer education	Client satisfaction index	Satisfaction index	2015=62.5% 2016=63.4% 2017=63.95% 2018 – 65%	2019 –67% 2020 – 68% 2021 – 70% 2022 – 71% 2023 – 72%
SG8	Increase risk based tax and customs compliance	Revenue collected from audits/investigations	Revenue collected from audits/investigations as a %age of ZIMRA target	2015-5% 2016-3% 2017-3% 2018-5.72%	2019-4% 2020-5% 2021-5% 2022-6% 2023-7%
		Actual audit/investigations cases finalized versus target	Actual audit/investigations cases finalized	2015-10289 2016-7580 2017-6561 2018- 3753	2019-2960 2020-2985 2021-3010 2022-3035 2023-3060
		Value of additional assessments	Value of additional assessments (excluding penalty	2015-4.25% 2016-4.5%	2019-11% 2020-12%



		(excluding penalty and interest) issued from audits/investigations	and interest) issued from audits/investigations as a %age of ZIMRA target	2017-4.75% 2018-7.12%	2021-13% 2022-14% 2023-15%
SG9	Implement Results Oriented Strategic Management	%Set strategic targets met	Number of strategic GOALs and targets met/ Total number of strategic GOALs	2015-64.7% 2016-30.0% 2017-31.6% 2018 – not available	2019-100% 2020-100% 2021-100% 2022-100% 2023-100%
		%Projects milestones completed within set timelines and cost	Number of projects completed within set timelines and costs/ Total number of prioritized projects	Nil	2019-100% 2020-100% 2021-100% 2022-100% 2023-100%
SG10	Simplify processes and procedures	% of automated processes vs planned	<u>No of automated process</u> X 100 total no processes planned for automation	Nil	2019-100% 2020-100% 2021-100% 2022-100% 2023-100%
SG11	Strengthen ethics, integrity and Enterprise risk management	Actual corruption index (ZIMRA to work on a project to change the Corruption Index	<u>Number of Corruption Related DGC Group C and D Cases</u> X 100 Total number of Staff	2015-NA 2016-1.66% 2017-0.33% 2018 – 0.81%	2019-0 2020-0 2021-0 2022-0 2023-0



		measurement method in 2019)			
		% adherence to corporate governance requirements	$\frac{\text{Number of positive responses}}{\text{Total questions}} \times 100$	2015- 2016-96% 2017-86% 2018-85%	2019-100% 2020-100% 2021-100% 2022-100% 2023-100%
		Risk index on a scale of 1-9	Risk impact X likelihood of occurrence	2015-3.7 2016-4.53 2017-3.29 2018-3.27	2019-3.2 2020-3.13 2021-3.1 2022-3.1 2023-3.1
SG12	Improve Communication and Partnerships	Amount of donor funds raised	Amount of donor funds raised vs target	NA	2019 - \$3mil 2020 - \$3mil 2021 - \$4mil 2022 - \$4mil 2023 - \$5mil
		Employee Perception Survey	Internal Client Satisfaction Survey	2018 – 64%	2019 – 65% 2020 – 68% 2021 – 70% 2022 – 71% 2023 – 72%
SG13	Ensure Timely and Adequate Funding	Trade payables turnover ratio (foreign payments)	$(\text{Trade Payables} / \text{Average Accounts Payable}) \times 30$	2015 – NR days 2016 – NR days 2017 – 122.56 days	2019-75days 2020 -60days 2021 -50days 2022 – 40days 2025 – 30 days



		Trade payables turnover ratio	Trade creditors divided by two Cost of sales multiplied by 365 days	2015 – 24.83 days 2016 – 17.63 days 2017 – 15.83 days	2019-18days 2020 -20days 2021 -22days 2022 – 24days 2025 – 25 days
		Budget variance ratio	Total proposed budget divided total allocated budget multiply by 100	2015 – 54.87% 2016 – 58.67% 2017 – 75.55% 2018-110%	2019 -90% 2020- 92% 2021 –93% 2022 –94% 2023 –95%
SG14	Enhance staff capacity and retention	% Vacancy rate	Total number of staff in post at the beginning of the quarter add staff recruited less staff terminations divided by the staff establishment at the end of the quarter.	2015 – 5.1% 2016 – 5.6% 2017 – 4.9% 2018-8.3%	2019 – 7% 2020 – 6% 2021 – 4% 2022 – 3% 2023 – 2%
		Average number of training hours per employee		2015 – 2.4 hrs 2016 – 2.5 hrs 2017 – 2.8 hrs	2019 – 8 hrs 2020 – 16 hrs 2021 – 24 hrs 2022 – 32 hrs 2023 – 40 hrs
		Staff turnover rate	Total number of staff terminations divided by the average number of employees for the year.	2015 – 0.74% 2016 – 0.85% 2017 – 1.07%	2019 – 1.05% 2020 – 1.05% 2021 – 1.05% 2022 – 1.05% 2023 – 1.0%



SG15	Modernise Infrastructure and ICT Systems	Units Modernised/year	Count of units modernised.	2015-0 2016-0 2017-0	2019- 40 2020- 20 2021- 17 2022- 7 2023- 2
		Availability	(Network+ Systems+ HVAC+ Power)/4	2015- 2016-95.75% 2017-96.65%	2019- 97.5% 2020- 98.5% 2021- 99.671% 2022- 99.749% 2023- 99.982%
		% external sources integrated for data exchange vs identified over the 5 year period	(integrated stakeholders/planned stakeholder integrations)*100	2015-0% 2016-30% 2017-20%	2019- 30% 2020- 50% 2021- 70% 2022- 85% 2023- 100%
SG16	Strengthen performance driven culture	%Staff members meeting set targets	Number of staff meeting target/ number of staff in post	nil	2019-90% 2020-92% 2021-94% 2022-96% 2023-98%



8 ZIMRA'S STRATEGIC OUTCOMES

ZIMRA's focus on the three Corporate Key Result Areas (KRA's) reflected in Section 12 will result in the following STRATEGIC OUTCOMES for ZIMRA and the Taxpayers:

Table 12: ZIMRA Key Result Areas and their corresponding Key Outcomes

Key Result Area (KRA)	KRA Ref	KRA Weight	Corresponding Strategic Outcome(s)	Outcome Ref	Outcome Weight
Revenue Collection	1	60%	Maximised Revenue Collection	Outcome 1	40%
			Improved Voluntary Compliance	Outcome 2	20%
Trade Facilitation	2	20%	Enhanced Trade Facilitation and Protection of Civil Society	Outcome 3	20%
Institutional Image	3	20%	Strengthened Institutional Image	Outcome 4	20%

9 KEY STRATEGIES /ACTION PLANS TO ACHIEVE ZIMRA'S STRATEGIC OUTCOMES





9.1 ZIMRA KEY STRATEGIES /ACTION PLAN TO ACHIEVE OUTCOME 1 – MAXIMISED REVENUE COLLECTION

Strategies / Action Plan to Maximise Revenue Collection		Lead Divisions
2019	<ul style="list-style-type: none"> ▪ Carry out comprehensive Tax Gap Analysis to identify compliance gaps in Domestic Taxes and Customs using the framework shown in section below. ▪ Register new taxpayers using third party database sources and data matching techniques e.g. Registrar of Companies, Licensing Authorities, Registrar General, Deeds Office, NSSA, ZIMSTAT, ▪ Carry out Business Re-engineering Project to simplify processes and procedures in order to facilitate increased revenue ▪ Automate and modernise systems and processes to facilitate increased revenue collection ▪ Commence the process of acquisition of a new Domestic Taxes Revenue Management (TRM) system ▪ Implement Debt Management Project with emphasis in recovery of legacy debt ▪ Plug revenue leakages by implementing SI246 of 2018, an ‘Unexplained Wealth Order’ ▪ Intensify Authorised Economic Operator Programme (Analyse imports and identify Clearing Agents with huge volumes in order to capacitate and empower them by giving them AEO status). ▪ Improve data interchange between Revenue Authorities by integrating systems ▪ Research, develop and recommend a simple tax for SMES (Turnover Tax, PPP for SME Infrastructure Development) 	Customs, Domestic Taxes
2020-2023	<ul style="list-style-type: none"> ▪ Develop ZIMRA Mobile Applications that integrate Taxpayers, Banks, other Stakeholders to the ZIMRA Self-assessment and payment systems ▪ Integrate Third Party databases sources to ZIMRA systems, i.e. automate and link ZIMRA systems to external databases e.g. Deed Offices, Registrar of Companies, SME Registration, ▪ Implement new Tax Revenue Management System and make it operational by 31 December 2020 ▪ Research on Digital Tax Accounts in order to increase revenue collection ▪ Develop VAT fiscalisation in order to increase revenue collections ▪ Implement modern audit and transfer pricings techniques (Use of Computer Assisted Auditing Techniques – CAATS and IDEA) ▪ Develop and implement automated risk assessment system ▪ Review penalty loading model in 2020 	Customs, Domestic Taxes



9.2 ZIMRA KEY STRATEGIES /ACTION PLAN TO ACHIEVE OUTCOME 2 – IMPROVED VOLUNTARY COMPLIANCE

Strategies / Action Plan to Improve Voluntary Compliance		Lead Divisions
2019	<ul style="list-style-type: none"> ▪ Carry a Voluntary Compliance Campaign Project using Print Media, Online, Television and Social Media ▪ Create a Tax Education online portal ▪ Review and simplify processes and procedures in order to encourage voluntary compliance ▪ To develop and implement a Customer Relationship Management (CRM) systems to foster strong partnerships with Taxpayers ▪ Prosecute Tax defaulters ▪ Introduce new Taxpayer Education and Awareness programmes ▪ Implement Compliance best practices e.g. Data Matching, Data Warehousing, World Customs Organisation and World Trade Organisation Conventions ▪ Integrate payment platforms with ZIMRA E-services to increase taxpayer transaction convenience ▪ Establish Surveillance and Monitoring Centre in order to deter illicit dealings and promote compliance ▪ Improve imports declaration compliance by enforcing mandatory pre-clearance facility SI9 of 2018 ▪ Research and recommend legislative changes in order to improve voluntary compliance ▪ Carry out collaborative engagements with key industry stakeholders in order to promote voluntary ▪ Implement Annual Voluntary Compliance Awards in order to encourage compliance 	Customs, RASP, Domestic Taxes, Loss Control, Legal, Corporate Communications
2020-2023	<ul style="list-style-type: none"> ▪ Develop and implement an online self-service / tax assistance interactive solution ▪ Integrate ZIMRA databases to external stakeholder databases in order to improve compliance ▪ Research on Voluntary Compliance incentives for recommendation to the Ministry ▪ Lobby government to introduce tax- education in schools curriculum 	Customs, RASP, Domestic Taxes, Loss Control, Legal, Corporate Communications



9.3 ZIMRA KEY STRATEGIES /ACTION PLAN TO ACHIEVE OUTCOME 3 – ENHANCED TRADE FACILITATION AND PROTECTION OF CIVIL SOCIETY

Strategies / Action Plan to Enhance Trade Facilitation and Protection of Civil Society		Lead Divisions
2019	<ul style="list-style-type: none"> ▪ Upgrade ASCUDA World System – automate advance cargo/passenger manifest, interface ASCUDA with Transporter Specifications and introduce new risk profiling parameters ▪ Procure and install Non-Intrusive Inspection (NIIT) technologies (NIIT Controls Systems Equipment) ▪ Extend Cooperative Compliance Programmes (enhance Approved Economic Operators – AEO Programmes) ▪ Introduce border surveillance drones ▪ Commence the Beitbridge Redevelopment Project ▪ Commence Border Systems integration Project (Systems to link with other Regional Revenue Authorities) ▪ Review internal processes, procedures and systems in order to reduce imports/exports clearance time from 3 hours to 2.5 hours ▪ Enhance the Import / Export Risk Management System by improving the risk profiling parameters in order to improve detection of harmful, dangerous and prohibited goods ▪ Implement and enforce corruption whistleblowing by both the clients and ZIMRA employees (incentivize ZIMRA Staff members foil and report corruption/bribery attempts) ▪ Implement Change Management Project in order to enhance staff service culture at the borders 	Customs, IT
2020-2023	<ul style="list-style-type: none"> ▪ Implement Single Window at selected borders ▪ Implement One-Stop Border Post (Victoria Falls and Kazungula) ▪ Finalise the Beitbridge Redevelopment Project ▪ Commence the Forbes Redevelopment Project ▪ Complete the full integration of systems 	Customs, IT



9.4 ZIMRA KEY STRATEGIES /ACTION PLAN TO ACHIEVE OUTCOME 4 – STRENGTHENED INSTITUTIONAL IMAGE

Strategies / Action Plan to Strengthen ZIMRA’s Institutional Image		Lead Divisions
2019	<ul style="list-style-type: none"> ▪ Carry out Business Re-engineering Project (Identify, simplify, automate and modernize systems and processes) in order to improve operational efficiency and service quality ▪ Review the ZIMRA Client Charter – automate client/employee satisfaction survey, implement online customer feedback platform ▪ Resolve client / staff surveys issued raised ▪ Modernise infrastructure ▪ Operationalise the new ZIMRA 24 –hour Contact Centre to offer high quality customer service ▪ Implement Change Management Project in order to improve staff commitment, staff motivation and client service culture ▪ Align organizational structure to strategy in order to improve operational efficiency ▪ Establish structured internal and external communication channels ▪ Develop and implement ZIMRA Brand Promotion (use of Print, Online, Social Media in order to promote the ZIMRA Brand) ▪ Carry out a well-structured Anti-Corruption Campaign using media ▪ Implement Surveillance and Monitoring Command Centre in order to deter corruption ▪ Implement ‘Mystery Shopping’ in order to flush corruption culprits within ZIMRA ▪ Strengthen ethics, integrity and enterprise risk management ▪ Commence the Implementation of new Tax Revenue Management System for improved operational efficiency service quality 	ALL
2020-2023	<ul style="list-style-type: none"> ▪ Introduce Mobile-device enabled client interface platforms ▪ Negotiate MOUs/Service Level Agreements with key strategic partners in the service chain ▪ Continue with processes automation to improve interactive client self-service ▪ Commence the Implementation of new Tax Revenue Management System for improved operational efficiency service quality ▪ Register ZIMRA as a Tax Profession Regulator in order to improve ethical and service quality standards offered by Tax Practitioners 	ALL

10 CONCLUSION

10.1 ZIMRA’s Strategic Projects (2019 -2023)

ZIMRA has adopted PRINCE2 (Projects In a Controlled Environment) Project Management Methodology in project implementation. The Authority will implement several projects during the strategic planning period 2019-2023. However, the following key projects have been picked out as Strategic Projects that will be monitored at Executive Management Level:

No.	Strategic Project	Brief Description
1	Data Cleansing	Project to clean Domestic Taxes Database to eliminate inaccuracies, update the database ahead of a new Tax Revenue Management System
2	Tax Revenue Management System	Acquisition, installation and configuration of a new Tax Revenue Management System for Domestic Taxes
3	ASCUDA Systems Upgrade	Upgrade of Customs system, ASCUDA World with particular emphasis on automation of advance cargo/passenger manifest, interfacing of ASCUDA with Transporter Specifications and introduce new risk profiling parameters
4	Staff and Office Accommodation	Construction of Staff Accommodation at the border and office accommodation including construction of ZIMRA Head Office in Harare
5	Data Centre	Acquisition of state of the art modern servers and setting up of a centralized Data Centre with capacity to handle and store big data
6	Automation	Review of processes and automation of identified processes
7	Systems Integration	Integration of different systems within ZIMRA and integration of ZIMRA systems to selected external systems
8	Surveillance and Monitoring Centre	Development and equipment of a centralized Surveillance and Monitoring Centre in Harare
9	Contact Centre	Development and setting up of a central Customer Services Contact Centre in Harare
10	Data Warehouse and Risk Management	Development, equipment and setting up of a central Data Warehouse to store taxpayer’s static and transactional information.
11	Debt Management	Project to reduce the outstanding legacy debt which stood at \$5 billion as at 31 December 2018.
12	Change Management	Project to realign processes, systems, structures and people to new strategy

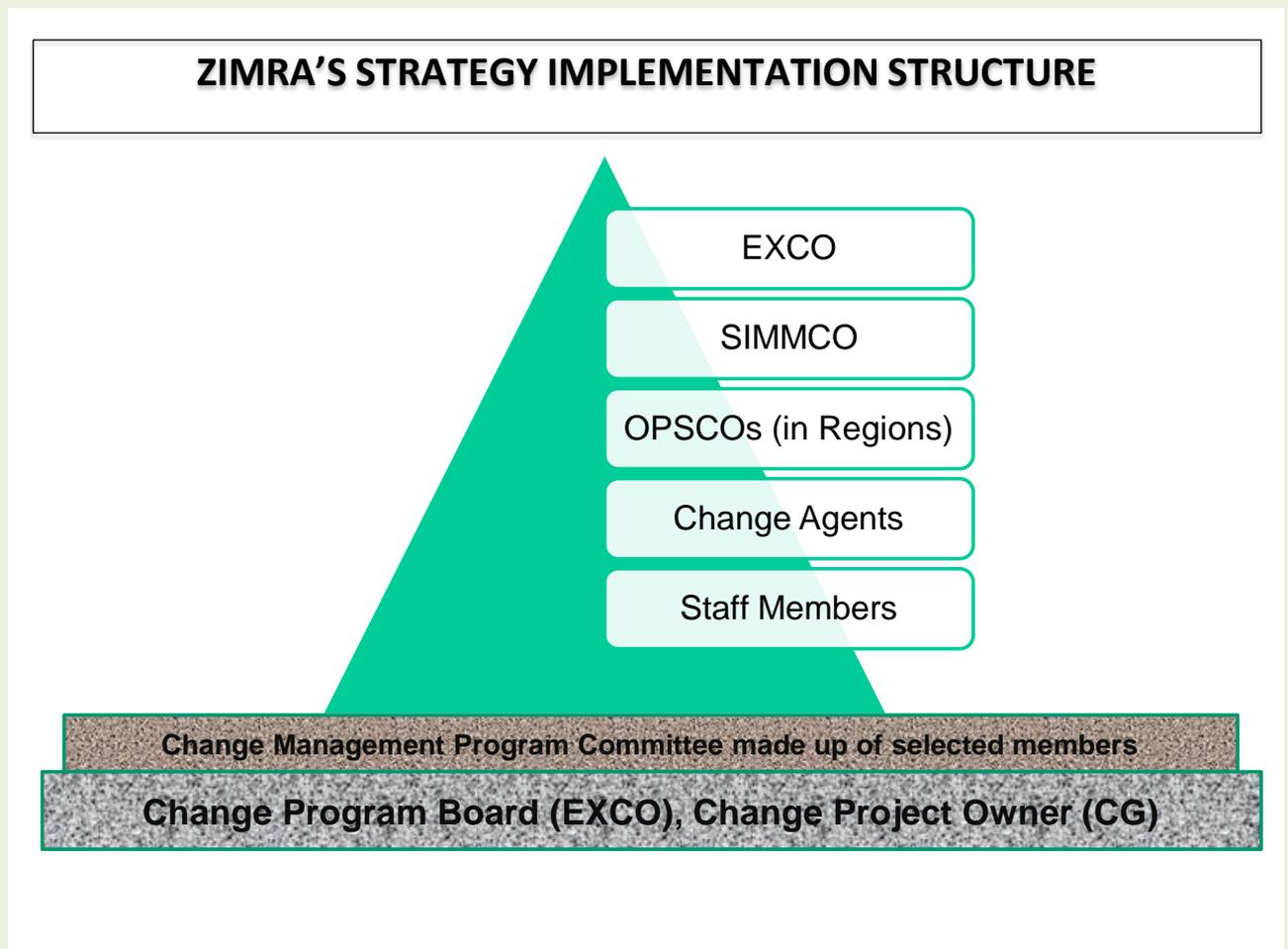
10.2 ZIMRA’s Change Management Program (2019 – 2023)

Change management is a structured approach of transforming the organisation, it’s people and processes from the current state to a desired state. The Authority will implement a Change Management Program whose main objectives is:

- To align staff culture (actions and behaviours) to the new strategy
- To align internal processes, systems and procedures to the new Strategy
- To improve ZIMRA’s brand image – strengthen institutional image
- To eliminate corruption
- To eliminate fear and create an innovation culture
- To embed new ZIMRA Values into staff members and make them a way of working

10.2 Strategy Implementation, Monitoring and Evaluation

ZIMRA involved all staff members in the strategic planning process. Similarly, ZIMRA will involve all staff members in strategy implementation. The following Strategic Implementation structure will be utilised:





- **EXCO** – Executive Committee is in charge of strategic planning, implementation monitoring and evaluation oversight and will be accountable to ZIMRA’s strategic and divisional targets.
- **SIMMCO** – Strategy Implementation and Monitoring Committee (SIMMCO) is made up of selected Senior Managers from each ZIMRA Division (2 per each Division). This Committee is in charge of facilitation of ZIMRA’s strategic planning, implementation, monitoring and evaluation.
- **OPSCOs** – Operational Committees (OPSCOs) are made up of middle level managers / supervisors whose responsibility is to give technical and tactical input to strategy. Each Region will have one Operational Committee.
- **Change Champions** – these are influential change agents selected across staff members. Change Champions will be capacitated to drive and influence the desired change amongst staff members.
- **Change Management Project Board** – ZIMRA’s Executive Management Committee (EXCO) shall automatically be the Change Management Project Board.
- **Change Management Project Owner** – change management should be driven from the top in order for it to be successful. ZIMRA’s Change Management Program will be led by the Commissioner General as the Project Owner.

10.3 Performance Management and Strategy Evaluation

The Authority had adopted the Integrated Results Based Management (IRBM) as a strategy implementation, monitoring and evaluation tool. ZIMRA’s 5-year strategy is IRBM compliant, an Agency Integrated Performance Agreement (AIPA) and Divisional Integrated Performance Agreements (DIPAs) have been developed and approved by the ZIMRA Board. The Authority is committed and confident of achieving the set strategic targets which will contribute positively to Zimbabwe’s socio-economic development.

Ms. Faith Mazani
ZIMRA -Commissioner General

Dr. Callisto Jokonya
ZIMRA Board Chairman