



**ZIMBABWE
PRESS STATEMENT**



**PAYMENT OF CIVIL SERVICE COVID-19 ALLOWANCES
AND SALARY REVIEW**

Pursuant to Government's commitment to continuously review and improve the remuneration framework for Civil Servants, taking into account the transitory economic challenges being currently experienced in the country, which have been exacerbated by the Covid-19 pandemic, Government makes the following announcement: -

1. With immediate effect, all Civil Servants' Salaries will be adjusted upwards by 50%. This increase also applies to all Government Pensions.
2. In addition, all Civil Servants will be paid a flat, non-taxable, Covid-19 Allowance of USD75.00 per month.
3. Government Pensioners will be paid a flat, non-taxable, Covid-19 Allowance of USD30.00 per month.
4. Government has taken due regard of the fact that addressing the wage challenges faced across the Civil Service, any salary reviews will need to be done within a holistic framework in order to ensure that such a review does not impose a negative shock in the market.
5. This interim arrangement is for period of 3 months, starting from June 2020.

6. All civil Servants and Pensioners are therefore advised to immediately open USD denominated Nostro Bank Accounts with their banks in order to smoothen the process of payment. The Reserve Bank of Zimbabwe is urgently addressing the domestic payments infrastructure in light of the increased need for “transactability”.
7. Government would therefore wish to advise members of the Civil Service that the above interim adjustments have been put in place whilst a comprehensive impact assessment and a framework for mitigating against the downside macroeconomic risks of the wage proposals made to the Government on the budget and the economy are being carefully worked out.
8. Government reiterates its commitment to payment of a living wage to its employees, whilst ensuring sustainability of the budget.
9. Government is also widening the remuneration framework for Civil Servants to introduce significant non-monetary benefits and these will be announced in due course.



MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

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