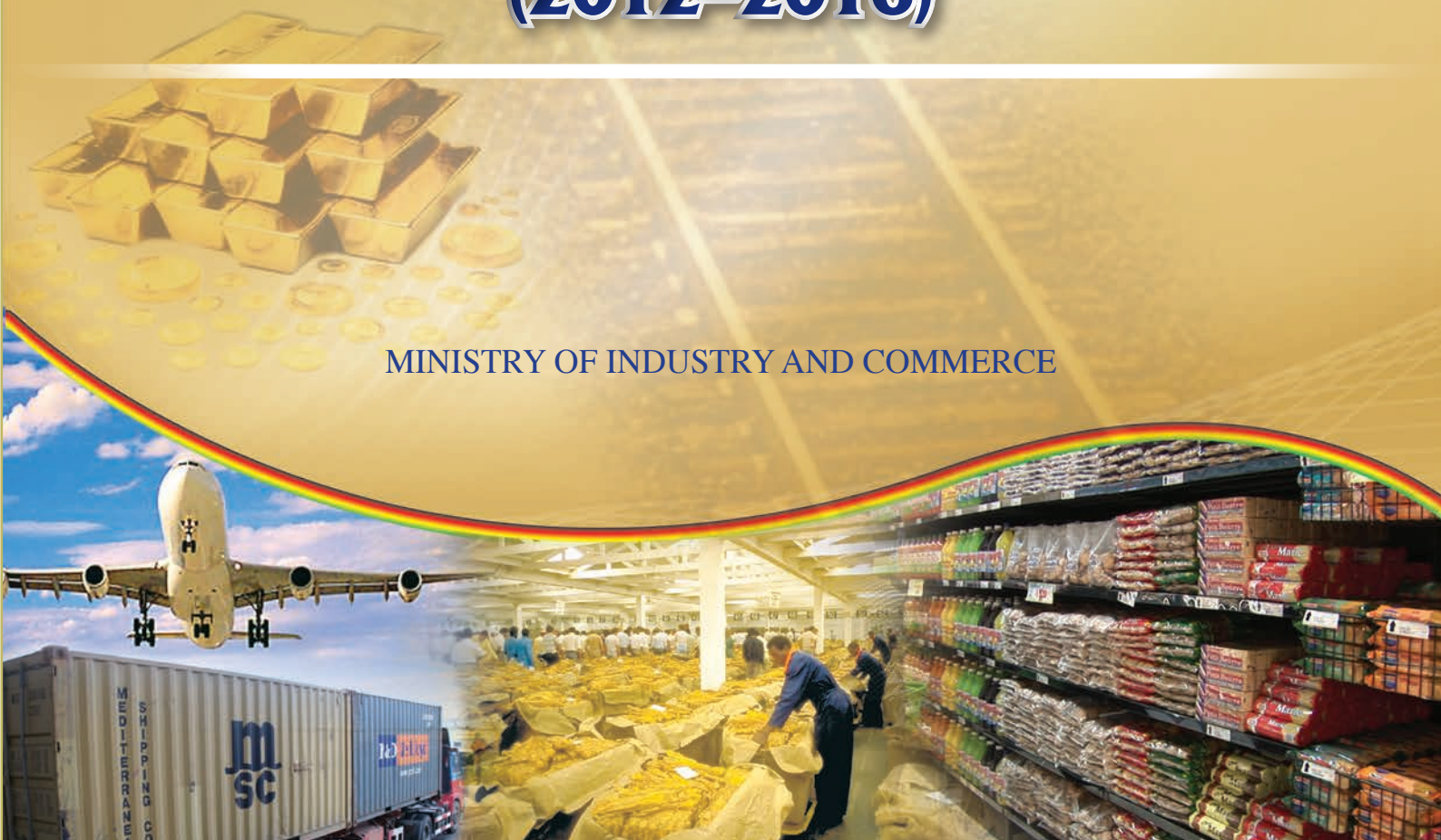




REPUBLIC OF ZIMBABWE

# NATIONAL TRADE POLICY (2012–2016)

MINISTRY OF INDUSTRY AND COMMERCE







**REPUBLIC OF ZIMBABWE**

---

# **NATIONAL TRADE POLICY**

## **2012 - 2016**

---

**MINISTRY OF INDUSTRY AND COMMERCE**



## TABLE OF CONTENTS

LIST OF ACRONYMS . . . . .	iii
PREFACE . . . . .	v
FOREWORD . . . . .	vii
<b>1.0 BACKGROUND . . . . .</b>	<b>1</b>
1.1 COUNTRY PROFILE . . . . .	1
1.2 MAJOR FEATURES OF ZIMBABWE'S ECONOMY . . . . .	1
1.3 ECONOMIC PERFORMANCE . . . . .	2
1.3.1 Overview of Economic Performance . . . . .	2
1.3.2 Zimbabwe's Trade Performance . . . . .	3
1.4 RATIONALE FOR A NATIONAL TRADE POLICY . . . . .	4
1.5 INSTITUTIONAL FRAMEWORK . . . . .	5
<b>2.0 NATIONAL TRADE POLICY: VISION, MISSION &amp; OBJECTIVES . . . . .</b>	<b>6</b>
2.1 VISION . . . . .	6
2.2 MISSION . . . . .	6
2.3 OBJECTIVES . . . . .	6
2.4 PRINCIPLES OF THE NATIONAL TRADE POLICY . . . . .	7
2.4.1 Export-led Industrialization . . . . .	7
2.4.2 Export Development and Promotion . . . . .	8
2.4.3 Regional and Multilateral Trading Arrangements . . . . .	8
2.4.4 Trade Policy Instruments . . . . .	9
2.4.5 Institutional Capacity Development . . . . .	9
<b>3.0 EXPORT-LED INDUSTRIALISATION . . . . .</b>	<b>10</b>
3.1 PRIORITY SECTORS . . . . .	10
3.2 VALUE ADDITION . . . . .	10
3.3 CLUSTER INITIATIVE . . . . .	11
3.4 SMEs EXPORT SUPPORT PROGRAMMES . . . . .	12
<b>4.0 EXPORT DEVELOPMENT AND PROMOTION . . . . .</b>	<b>13</b>
4.1 TRADE INCENTIVES . . . . .	13
4.2 TRADE FINANCE . . . . .	13
4.3 EXPORT CREDIT REINSURANCE . . . . .	14
4.4 TRADE PROMOTION . . . . .	14
4.5 EXPORT BASKET DIVERSIFICATION . . . . .	15
4.6 TRADE FACILITATION . . . . .	16
<b>5.0 REGIONAL AND MULTILATERAL TRADING ARRANGEMENTS . . . . .</b>	<b>17</b>
5.1 BILATERAL TRADE AGREEMENTS . . . . .	17
5.2 REGIONAL TRADING ARRANGEMENTS . . . . .	18

5.2.1	COMESA, SADC and the African Union . . . . .	18
5.2.2	Economic Partnership Agreement . . . . .	19
5.3	MULTILATERAL TRADING ARRANGEMENTS . . . . .	19
5.4	COMMODITY ORGANISATIONS . . . . .	20
<b>6.0</b>	<b>TRADE POLICY INSTRUMENTS . . . . .</b>	<b>21</b>
6.1	TARIFF-BASED INSTRUMENTS . . . . .	21
6.1.1	Tariffs . . . . .	21
6.1.2	Export Taxes . . . . .	21
6.1.3	Duty Drawback System . . . . .	21
6.2	NON-TARIFF MEASURES . . . . .	22
6.2.1	Import and Export Licencing . . . . .	22
6.2.2	Standards and Quality . . . . .	22
6.3	TRADE DEFENCE MECHANISMS . . . . .	23
6.3.1	Anti-Dumping and Countervailing Measures . . . . .	23
6.3.2	Safeguard Measures . . . . .	24
6.3.3	Rules of Origin . . . . .	24
6.3.4	Buy Zimbabwe Initiative . . . . .	24
<b>7.0</b>	<b>INSTITUTIONAL CAPACITY DEVELOPMENT . . . . .</b>	<b>26</b>
7.1	POLICY CONSISTENCY AND COORDINATION . . . . .	26
7.2	TRADE AND ECONOMIC REVIEW COMMITTEE (TERC) . . . . .	26
7.3	TRADE INFORMATION . . . . .	27
7.4	TRADE SUPPORT INSTITUTIONS . . . . .	27
7.5	PUBLIC SECTOR CAPACITY DEVELOPMENT . . . . .	28
7.6	PRIVATE SECTOR CAPACITY DEVELOPMENT . . . . .	29
<b>8.0</b>	<b>CROSS-CUTTING TRADE-RELATED ISSUES. . . . .</b>	<b>30</b>
8.1	INVESTMENT REGIME . . . . .	30
8.2	TRANSPORT SECTOR . . . . .	31
8.3	INFORMATION COMMUNICATION TECHNOLOGY (ICT) . . . . .	31
8.4	INTELLECTUAL PROPERTY RIGHTS (IPRs) . . . . .	31
8.5	AID-FOR-TRADE INITIATIVE . . . . .	32
8.6	COMPETITION POLICY . . . . .	33
8.7	TRADE AND GENDER . . . . .	33
8.8	TRADE AND ENVIRONMENT . . . . .	34
<b>9.0</b>	<b>IMPLEMENTATION OF NATIONAL TRADE POLICY . . . . .</b>	<b>35</b>
9.1	NECESSARY CONDITIONS . . . . .	35
9.2	INSTITUTIONAL FRAMEWORK . . . . .	35
9.3	IMPLEMENTATION FRAMEWORK. . . . .	36



## LIST OF ACRONYMS

ACP	African, Caribbean and Pacific Group of Countries
ATI	African Trade Insurance Agency
AU	African Union
BIPPAs	Bilateral Investment Promotion and Protection Agreements
BTAs	Bilateral Trade Agreements
CFTA	Continental Free Trade Area
COMESA	Common Market for Eastern and Southern Africa
CTC	Competition and Tariff Commission
CZI	Confederation of Zimbabwe Industries
DDA	Doha Development Agenda
DDB	Duty Draw Back System
EAC	East African Community
ECGC	Export Credit Guarantee Corporation of Zimbabwe
EPA	Economic Partnership Agreement
ESA	Eastern and Southern Africa
EU	European Union
FDI	Foreign Direct Investment
FTA	Free Trade Area
GATT	General Agreement on Tariffs and Trade
ICT	Information Communication Technology
IDP	Industrial Development Policy
IPRs	Intellectual Property Rights
ISO	International Standards Organisation
MFN	Most-Favoured-Nation
MIC	Ministry of Industry and Commerce
MTS	Multilateral Trading System
NAMA	Non-Agricultural Market Access
NTBs	Non-Tariff Barriers
NTP	National Trade Policy
OGIL	Open General Import Licence

OGEL	Open General Export Licence
PPPs	Public-Private-Partnerships
PTAs	Preferential Trade Agreements
RBZ	Reserve Bank of Zimbabwe
RECs	Regional Economic Communities
RoO	Rules of Origin
RTAs	Regional Trading Agreements/Arrangements
S&D	Special and Differential Treatment
SADC	Southern Africa Development Community
SAZ	Standards Association of Zimbabwe
SDIs	Spatial Development Initiatives
SMEs	Small and Medium Enterprises
SPS	Sanitary and Phyto-Sanitary Measures
STERP	Short-Term Emergency Recovery Programme
TBTs	Technical Barriers to Trade
TERC	Trade and Economic Review Committee
WTO	World Trade Organisation
ZIMRA	Zimbabwe Revenue Authority
ZIMSTAT	Zimbabwe National Statistics Agency
ZNCC	Zimbabwe National Chamber of Commerce



## PREFACE

Zimbabwe is endowed with a diverse and rich resource base with the potential to generate substantial export earnings for the country. The diversified manufacturing, agricultural, mining, tourism and other service sectors possess enough potential to give the country the necessary comparative and competitive advantage for sustained economic growth and development.



His Excellency, R. G. Mugabe,  
President of the  
Republic of Zimbabwe

The National Trade Policy (2012–2016) takes centre stage in the transformation of the productive sectors of the economy towards the production and export of high value-added products in order to realise the country's full export potential. This Trade Policy document outlines the key principles and strategies that will guide Zimbabwe's strategic integration into the global markets whilst ensuring the availability of high quality and affordable goods and services to Zimbabwean consumers.

Our challenge as a country is to act with speed and unity of purpose to unlock and exploit the export potential and opportunities at our disposal in order to make trade perform as the engine for our economy's growth and development. I urge all Zimbabweans and stakeholders, including Government departments, the business and labour sectors, and civil society, to share this vision of a Zimbabwe driven by robust exports of value-added products in order to achieve economic growth and sustainable development for our people.

A handwritten signature in black ink, reading "R. G. Mugabe". The signature is written in a cursive style with a large, stylized initial "R".

His Excellency, R. G. Mugabe,  
**PRESIDENT OF THE REPUBLIC OF ZIMBABWE**



## FOREWORD

Over the last decade and half, Zimbabwe's trade policy was guided by various trade-related laws and regulations administered by different Ministries, as well as bilateral, regional and multilateral trading arrangements that the country is signatory to. The role of trade in economic growth and development in the face of globalisation needs no emphasis. It is in this context that this comprehensive National Trade Policy was developed to ensure the effective and meaningful participation of Zimbabwe in the global market.



**Prof. Welshman Ncube (M.P.)  
Minister of Industry  
and Commerce**

With the development of the Industrial Development Policy (2012 – 2016), it has become increasingly important to spell out how trade policy will complement and leverage Zimbabwe's industrial development, as well as support the broad based economic growth objectives of the Medium Term Plan. The National Trade Policy specifies measures and strategies that will enable trade to be the engine for sustainable economic growth and development.

The policy sets out the key principles and strategies to drive the economy towards export-orientation and international competitiveness, in order to transform Zimbabwe from being an exporter of primary commodities to an exporter of value added high quality processed goods and services. The policy will be implemented through strategic trade policy instruments, based on regional and multilateral trading arrangements, supported by an export development and promotion package.

Further, the policy seeks to diversify the country's exports, expand and explore new markets, as well as promote the consumption of locally produced goods and services. Human skills and institutional capacity development in both the public and private sectors is also an important guiding principle for the effective and efficient implementation of the National Trade Policy.

The achievement of the objectives of the National Trade Policy hinges on policy consistency and coordination within Government, and participation of all stakeholders in a strategic and focused manner.

A handwritten signature in black ink, appearing to read 'W. Ncube', with a large circular flourish at the beginning.

**Prof. Welshman Ncube (M.P.)**

**MINISTER OF INDUSTRY AND COMMERCE**

## **1.0 BACKGROUND**

### **1.1 COUNTRY PROFILE**

Zimbabwe is a landlocked country, centrally situated in Southern Africa and sharing borders with Mozambique (to the East), South Africa (to the South), Botswana (to the West) and Zambia (to the North). With a population of about 12 million people, the country's literacy rate is over 90% and ranked number one in Africa by UN Standards (2010).

The country covers an area of 399 757km<sup>2</sup> and has a sub-tropical climate which supports a wide range of agricultural activities. Although Zimbabwe is landlocked, the country enjoys access to the sea ports of Beira and Maputo in Mozambique; Durban, Port Elizabeth and East London in South Africa; and Walvis Bay in Namibia.

### **1.2 MAJOR FEATURES OF ZIMBABWE'S ECONOMY**

The country is endowed with rich natural resources including minerals, energy, popular tourist attractions, as well as an excellent climate for agriculture. In the mining sector, Zimbabwe has huge reserves of over forty different types of minerals that include gold, chrome, nickel, granite, chrysotile asbestos, coal, copper, lithium, platinum and diamonds. The country is among the low-cost producers of minerals due to abundant shallow deposits.

In the agricultural sector, the country produces high quality maize, tobacco, cotton, beef, sugar, tea, coffee, wheat, soya beans, fruits, timber, floriculture and horticulture products, livestock and dairy. The country also has a diversified manufacturing industry base. The major industries include food processing, metals, leather and leather products, wood and furniture, clothing and

textiles, chemicals, paper and plastic, among others. Most of these manufacturing industries make use of the agricultural and mining output as their raw materials.

The services industry is also a very important sector that has contributed, to a large extent, to the country's GDP during the decade 2000 to 2010. Major sub-sectors in the industry include Education, Information and Communication Technology, Tourism, Financial Services, Transport, Distribution and a diversified cultural heritage.

### **1.3 ECONOMIC PERFORMANCE**

#### **1.3.1 *Overview of Economic Performance***

Growth of Zimbabwe's real GDP during the period 1980 to 1992 averaged 2.4 per cent per year but was highly variable because of major droughts that occurred during that period. The economy contracted by over 40% in the decade leading to 2010.

The major factors that contributed to Zimbabwe's poor economic performance during the decade ending 2010 include:—

- Unstable macroeconomic environment;
- Low and unstable commodity prices on the international market for primary exports such as gold, tobacco, cotton, nickel and asbestos;
- A huge external debt and lack of Balance of Payments support from multilateral institutions such as the IMF and the World Bank;
- Hyperinflation leading to cost pressures and high interest rates;

- Tight foreign exchange control policy characterised by unofficial multiple currencies (parallel foreign exchange market) and fixed exchange rate policy used for surrender of export earnings;
- Foreign exchange shortages hindering the economy's capacity to import essential inputs for industrial production; and
- Recurrent interruptions in essential utility supplies especially electricity, water, coal, liquid fuel, and deteriorating rail and road services due to deferred maintenance.

After embracing the Short Term Emergency Recovery Programme (STERP) and the multi-currency system in 2009, the economy has been on recovery path, having recorded GDP growth rates of 5.7% in 2009, 8.1% in 2010, and 9.3% in 2011 buoyed by stronger performances in the mining and agricultural sectors.

### **1.3.2 Zimbabwe's Trade Performance**

During the last decade, overall exports continued to decline in both value and volume compared to the 1990s. Export earnings, for instance, declined by 49% from a peak of around US\$2.6 billion in 1997 to around US\$1.3 billion in 2006. The import bill escalated exponentially during the same period, increasing from US\$2.2 billion in 1996 to around US\$2.7 billion in 2006. A negative balance of trade has been experienced since 2002.

Since 2000, all the major sectors of the economy namely agriculture, mining and manufacturing, experienced negative growth as they succumbed to the economic challenges the country was facing. While the agricultural and manufacturing sectors have previously been the main contributors to export earnings, these have, of late, been over-taken by the mining sector, that now accounts for around 50% of the country's total



exports. Due to the gradual economic recovery being experienced since 2009, export earnings are projected to grow by at least 10% from around US\$4.3 billion in 2011 to US\$4.7 billion in 2012. This is underpinned by favourable international commodity prices and improved output of export commodities from agriculture, mining and manufacturing sectors. The import bill is projected to marginally increase from around US\$5.6 billion in 2011 to US\$5.7 billion in 2012 with food imports expected to decline while non-food imports are projected to increase.

South Africa remains Zimbabwe's single largest trading partner accounting for at least 40% of total exports and 60% of total imports. Traditionally, the European Union (EU) used to be the major export destination for Zimbabwe accounting for two-thirds of total exports. With around 7% share of Zimbabwe's total exports, China is now the third most important market for Zimbabwe's exports after South Africa and the EU.

#### **1.4 RATIONALE FOR A NATIONAL TRADE POLICY**

Zimbabwe had not developed a National Trade Policy (NTP) document to guide the country's trade with the rest of the world and inferences had to be made from the myriad of trade-related laws and regulations administered by various Government Ministries and Departments. In this regard, the country's trade issues have been guided over the years by policies such as the Industrial Development Policies (1999–2003 and 2004–2010), the National Export Strategy (2006-2010), Economic Structural Adjustment Programme (ESAP)(1991-1995), Zimbabwe Programme for Economic and Social Transformation (ZIMPREST)(1996-1999), Millennium Economic Recovery Programme (MERP) (2000), National Economic Development Priority Programme (NEDPP) (2006), and the Short Term Emergency Recovery Programmes (STERP I &II) (2009-2011).

The country's trade policy has also been guided over the years by bilateral, regional, and multilateral trading arrangements that the country is signatory to, which include SADC, COMESA, the ACP-EU Partnership Agreements, and the World Trade Organisation.

In this context, it is important for the country to have a comprehensive, stand-alone National Trade Policy that specifies policy measures and strategies that will enable trade to be the engine for sustainable economic growth and development of Zimbabwe. Thus, the National Trade Policy has been crafted to leverage the Industrial Development Policy (2012-2016), taking into account the existing rules, regulations, agreements, and treaties. The policy will be the guiding document towards any future agreements between Zimbabwe and her trading partners to ensure effective participation in the changing regional and global trading environment, as well as to enhance the country's dynamism therein.

## **1.5 INSTITUTIONAL FRAMEWORK**

The mandate of the Ministry of Industry and Commerce broadly covers industrial and trade policy issues. The Ministry's role and competencies on trade are complemented by those of various statutory entities, including line Ministries and Departments. In this case, the reality of Zimbabwe's trade policy regime cannot be properly appreciated and effectively implemented unless the various trade-related policies within various Government Ministries and Departments are harmonised in a single trade policy framework.

## **2.0 NATIONAL TRADE POLICY: VISION, MISSION & OBJECTIVES**

### **2.1 VISION**

To have trade function as the engine for sustainable economic growth and development of Zimbabwe.

### **2.2 MISSION**

To facilitate the productive sectors of the economy towards export-orientation and international competitiveness whilst ensuring that Zimbabwean firms and households enjoy continued access to a wide range of high quality goods and services.

### **2.3 OBJECTIVES**

The National Trade Policy (2012–2016) is intended to achieve the following objectives:—

- (1) To increase exports and promote the diversification of the country's export basket by harnessing comparative advantage in key priority sectors with the ultimate target of increasing export earnings by at least 10% annually from US\$4.3 billion in 2011 to US\$7 billion in 2016;
- (2) To promote enhanced value-addition of primary commodities in all sectors of the economy thereby restoring the manufacturing sector's contribution to export earnings from the current 16% to 50% by 2016;
- (3) To consolidate and expand existing export markets and explore new markets; with main focus being to expand into regional markets in the context of deeper regional integration;
- (4) To enhance trade facilitation in order to expedite trade flows by reducing and/or eliminating barriers to trade; and

- (5) To give guidance on trade policy instruments such as tariffs, non-tariff measures and trade defence mechanisms with the aim of promoting trade, protecting local industry from unfair trade practices, as well as improving access by consumers to a wider range of goods and services.

## **2.4 PRINCIPLES OF THE NATIONAL TRADE POLICY**

The National Trade Policy for Zimbabwe is guided by the following fundamental principles:—

- (i) Export-led Industrialisation;
- (ii) Export Development and Promotion;
- (iii) Regional and Multilateral Trading Arrangements;
- (iv) Strategic Trade Policy Instruments;
- (v) Institutional Capacity Development.

### **2.4.1 *Export-led Industrialisation***

While it is widely acknowledged that Zimbabwe is richly endowed with abundant natural resources and human capital, the immense potential has not been fully unlocked to maximize on the country's comparative advantage for national economic benefit. The country's large and diversified manufacturing industry base, the agricultural and mining sectors need to be invigorated through export-oriented industrialisation policies. Due to limited disposable income for domestic consumption and financial liquidity challenges, coupled with limited and costly access to capital, internal demand for goods and services in Zimbabwe is expected to remain low. It is, therefore, important to access regional and international markets in order for industry to benefit from economies of scale which cannot be obtained because of low demand and the small size of the internal market.

It is in this context that one of the main tenets of the National Trade Policy is an export-led industrialisation strategy, wherein domestic firms should revise their business models towards the competitive production of higher quality value-added goods and services with an export orientation.

#### **2.4.2 *Export Development and Promotion***

For the country to be able to effectively pursue the export-led industrialisation strategy there is need to come up with an export development and promotion package that will facilitate the development and promotion of trade. The package will seek to progressively transform Zimbabwe from being an exporter of primary commodities to a major exporter of high quality, processed and value-added goods as pronounced in the Industrial Development Policy. Strategies to consolidate and expand traditional export markets, explore and develop new markets, diversify and promote Zimbabwe's exports are enunciated in this policy document.

#### **2.4.3 *Regional and Multilateral Trading Arrangements***

Zimbabwe is signatory to SADC, COMESA, ACP-EU and the World Trade Organisation Trade Agreements. The country also has six bilateral Preferential Trade Agreements and over forty Bilateral Trade Agreements under the Most-Favoured-Nation status. Trade integration is proving to be the cornerstone for the creation of larger markets and increasing trade flows. The business community is, therefore, urged to be more aggressive and take advantage of existing bilateral, regional and international trading arrangements which offer duty-free and quota-free market access in order to improve export performance.

#### **2.4.4 Trade Policy Instruments**

Various trade policy instruments will be adopted by Government to influence the direction and pattern of trade development. The instruments include Tariff-Based Instruments, Non-Tariff Measures, Trade Defence Mechanisms and Trade Development Instruments. The application of these instruments will be guided by the need to stimulate domestic production, promote value-added exports and safeguard domestic industry and consumers against unfair trade practices. Zimbabwe will exercise trade policy options in line with regional and international obligations.

#### **2.4.5 Institutional Capacity Development**

For the National Trade Policy objectives to be realised, there is need to capacitate trade-related institutions in order for them to effectively and efficiently spearhead the process of re-orienting the economy towards an outward-looking system. Strengthening both the public and private sector in terms of human skills and institutional capacity development will enhance understanding of their critical role and contributions for trade development. Coordination within Government and between Government and the private sector on trade policy issues is vital in implementing the National Trade Policy.

### **3.0 EXPORT-LED INDUSTRIALISATION**

As enunciated in the Medium Term Plan (2011 – 2015), export-led growth is critical in the economic trajectory during the Plan period. Whilst the domestic market remains of vital importance, greater penetration of external markets is required to achieve industrial growth. It is, therefore, crucial to build and sustain a culture of exporting in all industrial sectors. The export-led industrialisation programme shall be augmented by an export development and promotion package.

The following policy strategies will be embraced in order to achieve the target of at least 10% annual growth rate in export earnings;

#### **3.1 PRIORITY SECTORS**

Competitiveness demands specialization and focus. Zimbabwe cannot hope to be competitive in all industrial sectors. The limited resources will be most effective if directed towards those sectors that have proven or demonstrable competitiveness. The Industrial Development Policy (2012 – 2016) has identified four priority sectors, namely, agro-processing (food, beverages, clothing, textiles, leather, wood and furniture), fertilizer industry, pharmaceuticals and metals and electricals, which will be the drivers and pillars of industrial growth. The country will use its comparative advantage in these prioritized sectors to exploit external markets, particularly in the region. In this regard, Government will put in place export support measures to the priority sectors such as exemptions from duties on imported inputs and preferential access to trade finance in order to boost the level of exports.

#### **3.2 VALUE ADDITION**

Zimbabwe's exports are dominated by primary products whose international prices are vulnerable to frequent shocks. To



survive the challenges of the ever increasing competition on the international trading environment, greater emphasis will be put on the production and export of processed goods in all sectors of the economy, in particular mining and agriculture.

The export of commodities will be regulated in order to boost local product beneficiation. Government will control, through appropriate instruments, the exportation of primary products where value-addition options are readily available. A link will be created between producers of commodities and manufacturers that are involved in value-addition. The whole value chain of selected products will be monitored so that support programmes for value-addition will continuously be put in place at each level of beneficiation.

### **3.3 CLUSTER INITIATIVE**

Competitive advantage is not created in a single firm alone. Efficiency in internal operations is essential, but not necessarily sufficient to compete globally. Factors external to the business are becoming increasingly important. Each firm is inherently part of a cluster of activities made up of firms along the value chain as well as related and supporting organisations. Around the world, it has been demonstrated that strong clusters ensure a sustainable competitive advantage which is necessary for economic growth and development.

The motive for adopting such a strategy, as enunciated in the Industrial Development Policy, is based on the proven benefits accruing in terms of attainment of economies of scale, lowering production and transaction costs, global competitiveness and development of comparative advantages. Government will support industrial clusters through training in export marketing, identification of potential export markets including niches, and facilitating preferential access to trade finance.

### **3.4 SMEs EXPORT SUPPORT PROGRAMMES**

The Government will spearhead the establishment and coordination of linkages between small and medium enterprises (SMEs) and well-established corporate businesses. Such linkages will range from supply contracts and other sub-contracting activities to joint ventures. The relationship will also be fostered through incentives to enable small firms' access to mentorship from large firms.

The Ministry of Industry and Commerce in collaboration with the Ministry of Small and Medium Enterprises and other relevant stakeholders will work together to ensure policy coordination for SMEs, and the rationalisation and improvement of support services and access to technology to promote SMEs exports. ZimTrade, the National Trade Promotion organisation, will also continue with its Export Marketing Training Programme for SMEs with a view to inculcating an export culture within the SMEs.

## **4.0 EXPORT DEVELOPMENT AND PROMOTION**

For the export-led industrialisation programme to be successful, it has to be buttressed by an effective and comprehensive export development and promotion package that will be offered to support the growth of exports. The export development and promotion package will include the following incentives and measures, among others;

### **4.1 TRADE INCENTIVES**

In consultation with the relevant stakeholders including industry, Government will review the existing export incentives and modify them where necessary, to make them more effective and relevant to the changing and dynamic business environment. Incentives such as the Duty Drawback System for raw materials imported to manufacture goods for export will be re-introduced. Full retention of export earnings by exporters will be maintained during the policy period.

### **4.2 TRADE FINANCE**

Trade finance is of particular importance to promote industrial production and trade in view of the credit and liquidity challenges that the country is faced with. Zimbabwean companies require funding to retool and increase production capacity. For exporters and importers, trade finance has implications in terms of both trade credit and risk insurances. Government is aware of the liquidity constraints in the domestic financial market and that it is necessary to secure concessionary funding to support industrial development.

In this regard, Government will prioritise the mobilisation of export-support funding through the Industrial Development Policy framework and will work closely with local financial institutions to

secure structured trade finance for exporting companies. Other regional and international trade support funding opportunities will also be explored.

### **4.3 EXPORT CREDIT REINSURANCE**

Exporters require protection from certain unforeseen commercial and political risks such as unpredictable payment risks inherent in export transactions especially when entering new markets or dealing with new buyers. In Zimbabwe, commercial risk reinsurance can be obtained from the private market. However, currently the local private market has no capacity to reinsure political risks.

Government acknowledges the importance of reinsuring exporters against inherent political risks in some export markets, and as such will resuscitate the Export Credit Reinsurance Fund in order to instill and restore exporters' confidence to enter new markets or deal with new buyers. In the same vein, Zimbabwe will join the African Trade Insurance Agency (ATI), a COMESA institution which provides export credit, political risk and investment insurances.

### **4.4 TRADE PROMOTION**

Trade promotion activities are designed to market the country's exports to the rest of the world. ZimTrade is the national trade promotion body mandated to carry out trade promotion activities in collaboration with the Ministry of Industry and Commerce. Other bodies involved in trade promotion activities include the Zimbabwe International Trade Fair (ZITF) Company and the Zimbabwe Tourism Authority (ZTA). Government will adopt strategies aimed at promoting the country's exports which include; increased participation at regional and international trade fairs, trade

missions, deployment of Trade Promotion Officers in strategic and potential markets, publicity campaigns and expanding the scope of the country's premier international trade event, the Zimbabwe International Trade Fair. This is aimed at consolidating existing markets, restoring lost markets and exploring new markets.

Joint trade, tourism and investment promotion activities will be undertaken by the relevant Ministries and organisations. Government will also ensure that trade promotion institutions are adequately resourced and capacitated to effectively deliver on their mandate.

#### **4.5 EXPORT BASKET DIVERSIFICATION**

The country's export basket is dominated by few traditional primary product lines whose international prices are vulnerable to frequent shocks. To survive the challenges of the increasing competitive international trading order, steps will be taken, aimed at placing greater emphasis on the production and exportation of more processed goods. The Government will identify potential export products for existing and new markets including niches. This will be done by developing a product-country-matrix wherein the best performing products will be identified with the aim of maintaining and increasing exports. Countries which offer maximum benefits in terms of market opportunities for these products will also be identified.

Government will also put emphasis on expanding trade in services. The services' sector in Zimbabwe has been dominating in terms of contributing to GDP, accounting for over 50% but very little (around 10%) in terms of export earnings. The sector comprises of the following sub-sectors; tourism, financial, education, health, energy, transport, communications, construction and related engineering services. These services' sub-sectors in which

the country has comparative advantage will be encouraged to develop an export-oriented focus. Government will establish a strong regulatory framework as well as strengthen the existing ones to realize more from trade in services.

#### **4.6 TRADE FACILITATION**

Government will continue to enhance trade facilitation to expedite trade flows by streamlining and simplifying exporting and importing procedures, eliminating customs delays and improving customs administration. Following the successful establishment of the Chirundu One-Stop-Border-Post, the Government will extend the concept to other ports of entry within the context of Spatial Development Initiatives (SDIs) and the North-South Corridor framework.

## **5.0 REGIONAL AND MULTILATERAL TRADING ARRANGEMENTS**

Zimbabwe is engaged in a number of bilateral, regional and multilateral trading arrangements. The country is a member of COMESA, SADC, ACP-EU, Global System of Trade Preferences (GSTP) and the World Trade Organisation (WTO) in pursuit of the regional and multilateral trade integration agenda. The country is also a member of other international commodity bodies such as the Common Fund for Commodities (CFC), International Coffee Organisation (ICO) and the International Sugar Organisation (ISO).

### **5.1 BILATERAL TRADE AGREEMENTS**

Zimbabwe entered into Bilateral Trade Agreements encompassing both Preferential Trade Agreements (PTAs) and Most Favoured Nation (MFN) with over forty countries across the globe. Some of the countries with which the country signed bilateral trade agreements include South Africa, Namibia, Botswana, Malawi, DRC and Mozambique. These agreements are aimed at broadening the scope for market access on the basis of reciprocity, with the exception of the agreement with South Africa that is not reciprocal.

Some of the agreements have proved to be deficient in respect of areas such as rules of origin and other trade support mechanisms to facilitate trade and foster economic co-operation. Government will, therefore, review the existing Bilateral Trade Agreements with a view to assessing their relevance and accordingly accommodate developments at national, regional and multilateral trading systems.



## **5.2 REGIONAL TRADING ARRANGEMENTS**

### **5.2.1 COMESA, SADC and the African Union**

Zimbabwe is a founder member of both COMESA and SADC and is actively participating in the respective Free Trade Areas (FTAs) The two Regional Economic Communities (RECs) are currently undergoing transformation into Customs Unions. In addition to trade liberalization, Zimbabwe is also participating in a number of regional programmes in the areas of agriculture, gender, infrastructure, climate change, trade facilitation and harmonization of standards in the region.

Zimbabwe is also participating in the COMESA-EAC-SADC Tripartite negotiations which are aimed at harmonising trade regimes, free movement of business persons, joint implementation of regional infrastructure projects and programmes, and legal and institutional arrangements for regional cooperation within the three RECs. One of the most significant outcomes of this initiative has been the establishment of the first One-Stop Border Post in Africa between Zambia and Zimbabwe at Chirundu Border Post in 2010.

The Government acknowledges the complications arising from her overlapping membership to COMESA and SADC. This makes the country's trade policy complicated by the web of inter-related regional trade liberalization commitments with different tariff phase-down schedules, rules of origin and ambitions of regional integration existing in the two different RECs. To this end, the country is committed to the Tripartite Initiative as it would address complications arising from overlapping membership within the RECs.

Zimbabwe will also participate in the Africa Union's project to fast-track the establishment of a Continental Free Trade Area (CFTA) which is aimed at boosting intra-Africa trade.

### **5.2.2 *Economic Partnership Agreement***

In 2009, Zimbabwe signed an Interim Economic Partnership Agreement (EPA) with the European Union (EU) under the Eastern and Southern Africa (ESA) configuration. The Interim EPA is designed to take care of the trade relations between the ESA region and the EU while negotiations towards the full EPA continue. Under the agreement, trade between Zimbabwe and the EU will be on a reciprocal basis in line with WTO rules. In order to preserve market access in the EU, Zimbabwe will continue to engage the EU with regards to reaching an agreement on the contentious and outstanding issues towards the conclusion of the full EPA negotiations.

### **5.3 MULTILATERAL TRADING ARRANGEMENTS**

Zimbabwe is a founding member of the World Trade Organisation (WTO), having been a GATT Contracting Party since 1947. The country is participating in the current Doha Development Agenda (DDA) round of negotiations with much interest in agriculture, specifically the substantial reduction in domestic support, increase in market access, the phasing out of all forms of export subsidies and effective Special and Differential Treatment (S&D) by developed countries in order to unlock the potential for agriculture in the developing world. In addition, Zimbabwe is calling for a Special Safeguard Mechanism (SSM) and designation of Special Products (SPs) for developing countries, with a view to promote food security, rural development and poverty alleviation as well as addressing import surges and price declines.

In the Non-Agricultural Market Access (NAMA) negotiations, Zimbabwe is seeking flexibilities in tariff bindings that will provide for policy space to allow for domestic industrial sector development as well as support regional integration activities. As

a landlocked developing country, Zimbabwe is also interested in Trade Facilitation negotiations to address challenges in the movement and transportation of goods destined for the regional and international markets.

Zimbabwe will continue to participate in the Multilateral Trading System negotiations to advance the country's interests. The country will ensure that periodic Trade Policy Reviews by the WTO are undertaken to assess the conformity of the country's trade policies and practices with provisions of the Multilateral Trading System.

#### **5.4 COMMODITY ORGANISATIONS**

Zimbabwe has been working closely with international commodity bodies such as the Common Fund for Commodities, International Coffee Organisation and the International Sugar Organisation to advance commodity sector development in the country. The country will continue to seek project finance and technical assistance in order to promote the production and export of commodities such as coffee and sugar, among others.

## **6.0 TRADE POLICY INSTRUMENTS**

### **6.1 TARIFF-BASED INSTRUMENTS**

#### **6.1.1 *Tariffs***

Zimbabwe's tariff regime is guided by the country's commitments under the regional and multilateral trading arrangements. At the core of the country's tariff policy is the Customs and Excise Act which is administered by the Ministry of Finance. Tariffs have been reviewed on an ad-hoc basis seeking relief to industry, to improve the supply of commodities and to comply with the country's commitments under regional integration arrangements.

The Government will use tariffs to generate and promote trade. Efforts will be made to eliminate customs duties on selected imports of critical raw materials and intermediate goods that cannot be sourced locally. The tariff regime will be applied on a sector-by-sector basis and dictated by the needs and imperatives of sector strategies as enunciated in the Industrial Development Policy.

#### **6.1.2 *Export Taxes***

The Government will gradually introduce export taxes on primary commodities where value-addition options are readily available in order to promote exports of value-added goods. This measure will be instituted strategically based on sectoral considerations and in line with the country's international commitments.

#### **46.1.3 *Duty Drawback System***

The Government will reintroduce and strengthen the Duty Drawback System that allows the rebate of duty on imported inputs used to produce exportable goods, provided that the

relevant products are exported within a reasonable period of time (such as one year) after payment of duty. This is aimed at helping exporters overcome the tariff cost disadvantage and stimulate exports.

## **6.2 NON-TARIFF MEASURES**

### **6.2.1 *Import and Export Licencing***

Most of Zimbabwe's trade is governed by automatic open general import and export licences. However, imports and/or exports of certain goods may be subject to specific licencing administered by the Ministry of Industry and Commerce and the Ministry of Agriculture. The Government will maintain import licencing in accordance with WTO rules for statistical purposes and Sanitary and Phytosanitary reasons. The Government will also apply import and export quotas in exceptional circumstances depending on the supply situation of certain essential commodities.

### **6.2.2 *Standards and Quality***

Standards are used as instruments of trade policy to authenticate the quality and specification of imports and exports in conformity with international safety requirements and regulations that largely aim at consumer protection.

The Government encourages the use of standards on quality, dimensions, and practice, in order to protect consumers against sub-standard and harmful products through the application of suitable measures under the WTO TBT and SPS Agreements. In this regard, Government will enact legislation on the Zimbabwe Quality Standards Regulatory Authority in collaboration with the Standards Association of Zimbabwe, which will make it mandatory for companies to comply with specified national and international standards on specified products. The Authority will also address the

importation of sub-standard products. However, the Government undertakes to implement measures to ensure that standards will not be used as unnecessary trade-restrictive measures.

The Government will also consider commercialising the Standards Development Fund in order to ensure effective and efficient levy collection which is channelled towards the improvement of standards.

### **6.3 TRADE DEFENCE MECHANISMS**

According to the WTO, Members have the right to impose Trade Remedies such as Anti Dumping and Countervailing Duties to correct the competitive imbalances created by unfair trade practices when they cause or threaten to cause serious injury to local industry. Member countries are also allowed to apply Safeguard Measures in case of surge of imports that cause, or threaten to cause, serious injury to local industry. In this regard, Government will actively monitor such unfair trade practices and initiate corrective measures.

#### **6.3.1 *Anti-Dumping and Countervailing Measures***

The Competition and Tariff Commission is the Investigating Authority for unfair trade practices in Zimbabwe. To operationalise this function, two statutory instruments namely the Competition (Anti-Dumping and Countervailing Duty) (Investigations) Regulations 2002 and the Competition (Safeguards) (Investigations) Regulations 2006 were put in place.

Government will capacitate and strengthen the Investigating Authority for it to be able to establish the existence of unfair trade practices caused by dumping and subsidised imports, with a view to initiating anti-dumping action as well as instituting countervailing measures.

### **6.3.2 *Safeguard Measures***

Government is concerned with the influx of certain imported goods which are threatening the survival of local industry and will consider an appropriate mix of safeguard measures under the WTO rules, in addition to close monitoring of rules of origin and preferential treatment provisions under signed trade treaties, to give temporary protection to seriously injured local industry.

Zimbabwe's legislation on safeguard measures falls under the Competition (Safeguards) (Investigation) Regulations of 2006 in line with GATT Article XIX of the WTO.

### **6.3.3 *Rules of Origin***

The Zimbabwe Revenue Authority (ZMRA) is responsible for administering the Rules of Origin, which are laws, regulations and administrative rulings applied by the Government to determine the origin or source of imported goods. The customs authority assesses whether a shipment qualifies for a tariff preference, falls within a quota limitation or is affected by an anti-dumping duty subject to specific conditions as defined in WTO agreements and regional trade arrangements.

The Government is concerned by the influx of goods entering Zimbabwe under the guise of preferential trading arrangements. The customs authority, ZIMRA, will be capacitated to undertake thorough investigations in the perceived countries of origin with a view to plug the loopholes and deter smuggling.

### **6.3.4 *Buy Zimbabwe Initiative***

As a result of the difficult period that the country went through in past decade, most consumers were subjected to imported goods and services as the local industry faced supply challenges. This



resulted in the country experiencing perennial negative trade balance since 2002 wherein the import bill has far exceeded export earnings. In order to contain the import bill which has reached a record high of close to US\$6 billion against export earnings of around US\$4 billion in 2011, it is essential to promote the consumption of locally manufactured goods and services. With the revival of industry, a paradigm shift is needed for consumers to develop strong preference for locally-produced goods and services.

In this regard, the Government will fully support industry and commerce, Consumer Council of Zimbabwe and Civil Society in promoting the use and consumption of goods and services produced in Zimbabwe under the “Buy Zimbabwe Campaign” initiative. The Government will also endeavour to give priority to local producers of goods and services for its procurement requirements. Industry and commerce is strongly encouraged to source their raw materials and inputs locally where these are readily available.

## **7.0 INSTITUTIONAL CAPACITY DEVELOPMENT**

The successful implementation of the National Trade Policy will require capacity development of key public and private sector institutions. This has to be complemented by close cooperation between Government, Business and Labour, which is critical for the improvement of trade performance. In this regard, the National Trade Policy will be driven by tripartite participation in decision-making and goal setting and a corresponding tripartite acceptance of responsibility. The following measures will, therefore, be embraced during the policy period;

### **7.1 POLICY CONSISTENCY AND COORDINATION**

Government will harmonize the administration of the various trade-related policies scattered across various Government institutions to ensure that trade-related policy pronouncements are done in consultation with the Ministry of Industry and Commerce. Streamlining of trade legislation, its enforcement and administration capacity is necessary as the multiple layers of intervention may offset, contradict or cause policy inconsistency.

### **7.2 TRADE AND ECONOMIC REVIEW COMMITTEE (TERC)**

It is essential to revive the inter-institutional consultative mechanism in order for trade-related issues and technicalities to be considered and addressed in a coherent framework by all relevant stakeholders from both the public and private sectors. The Trade and Economic Review Committee that is traditionally chaired by the Ministry of Industry and Commerce will be reconstituted to take charge of cross-cutting trade issues in order to ensure policy coordination. This will also result in the optimization of ministerial functions so that the policy can be streamlined into the enlarged macroeconomic environment.

The TERC will be the reference point responsible for monitoring and reviewing the National Trade Policy and advising Government on sustainable trade policy strategies and options. This committee will also be responsible for developing national negotiating positions for the country in regional and multilateral trade negotiations.

### **7.3 TRADE INFORMATION**

Trade data is critical for the analysis of trade performance which in turn is important in coming up with well-informed trade policy options and also negotiating positions for the country. The analysis of Zimbabwe's trade performance currently relies on mirror data which has a lot of limitations. Zimbabwe's statistics need to be aligned to international standard models with the assistance of international trade statistics organisations. Government will engage international trade statistics organizations to give technical assistance to the Zimbabwe National Statistics Agency (ZIMSTAT) to build capacity in terms of modern trade database management systems.

Government will also work on establishing trade information inter-linkages between ZIMSTAT, ZimTrade and the Ministry of Industry and Commerce wherein ZIMSTAT trade statistics will be directly accessible through the two organizations' web portals.

### **7.4 TRADE SUPPORT INSTITUTIONS**

The immediate thrust in implementing the National Trade Policy is to improve the capacity and capability of trade promoting organizations such as ZimTrade, the Competition and Tariff Commission and the Standards Association of Zimbabwe.

Government will capacitate and reposition ZimTrade to make it a viable, efficient and effective National Trade Promotion

Organisation that is capable of undertaking modern day export promotion activities. Technical assistance will be targeted at improving skills in areas of market profiling and export market research.

On standards and quality, the Government will ensure that infrastructure for the Trade Measures Department and the Standards Association of Zimbabwe is upgraded. This will include accreditation, metrology, standards, testing and certification equipment. The Government will also enact legislation that makes it mandatory for companies to comply with national and international standards for selected products. The proposed law will be used to enforce the importation and exportation of quality products. Measures will be put in place to establish quality control check points at the ports of entry.

With regards to the Competition and Tariff Commission, Government will seek technical assistance from international cooperating partners to train staff of the commission on tariff analysis and simulations, trade remedies (anti-dumping, countervailing and safeguard measures), and competition policy and law.

All organizations involved in supporting trade will be expected to initiate education, awareness and training programmes to conscientise their human resources and the broader public and private sector community to understand their respective roles and contributions in promoting trade.

## **7.5 PUBLIC SECTOR CAPACITY DEVELOPMENT**

To facilitate effective implementation of the National Trade Policy objectives, Government will develop a capacity building programme targeted at key Economic Ministries involved in trade-

related issues. Technical assistance will be sought to train officials in trade diagnostics and negotiating skills, and other disciplines of the regional and multilateral trading system.

The Parliament of Zimbabwe provides an important oversight of the National Trade Policy and trade negotiations. Establishing and strengthening capacity building in trade policy for Members of Parliament who are responsible for the acceptance and ratification of trade agreements is essential. In this regard, the Ministry of Industry and Commerce will facilitate training and awareness workshops for Parliamentarians on trade-related matters.

## **7.6 PRIVATE SECTOR CAPACITY DEVELOPMENT**

The implementation of the National Trade Policy is premised on an inclusive approach involving all relevant stakeholders including the Private Sector as the beneficiary partners and implementers, and the Civil Society as supporters. Government will not only keep the private sector and civil society abreast of developments in the regional and multilateral trading negotiations, but will, first and foremost, ensure that they make an input through extensive stakeholder consultations. Government will also educate them on the benefits of the Trade Agreements. In this regard, stakeholder sensitisation and consultative workshops will be undertaken in addition to availing information on the Ministry of Industry and Commerce website. Business associations will also be facilitated to enter into cooperation agreements with their regional and international counterparts to promote business networking and match-making.

## **8.0 CROSS-CUTTING TRADE-RELATED ISSUES**

The National Trade Policy cannot be complete without incorporating cross-cutting trade-related issues such as the investment regime, transport, intellectual property rights, competition policy, aid-for-trade, the environment and gender.

### **8.1 INVESTMENT REGIME**

Following the establishment of a One-Stop Investment Centre in December 2010, the administration and processing of applications for investment licences is expected to take five working days to complete as compared to the previous 49 days. The Government remains open to Foreign Direct Investment into strategic sectors that include green-field investment projects and the services sector, while restricting foreign investments in retail merchandising. The retail merchandising sector is, in terms of law, reserved for locals and is meant to promote small and medium enterprises and informal traders.

Government will continue to put in place incentives geared towards export-oriented investment projects and also promote Public-Private Partnerships (PPPs). Government will also align the Investment Authority Act with provisions of the Indigenization and Economic Empowerment Act (Indigenisation & Economic Empowerment (General) Regulations 2010 in terms of shareholding thresholds between local and foreign investors.

Zimbabwe signed Bilateral Investment Promotion and Protection Agreements (BIPPAs) with a number of countries to ensure that property rights are observed in all sectors of the economy in conformity with international agreements. Government will engage other countries with a view to either review and reactivate or initiate new BIPPAs in order to further strengthen investor confidence.

## **8.2 TRANSPORT SECTOR**

The transport sector plays a pivotal role in facilitating trade through the movement of goods and people. Zimbabwe is land-linked and strategically positioned as a gateway to markets in the region. This presents the country with opportunities to develop and upgrade its transport system as well as linking it with other countries in the region. In this respect, the Government will come up with a National Transport Policy that will facilitate the development of an integrated transport system. This is expected to go a long way in facilitating trade.

## **8.3 INFORMATION COMMUNICATION TECHNOLOGY (ICT)**

The ICT sector is an important infrastructural enabler in facilitating trade. Systematic application and innovative use of ICT will play an important role in achieving the objectives of the National Trade Policy. Service delivery by both the public and private sectors can be enhanced through the use of modern ICT in areas such as customs clearance, online trading and general communication. In this regard, the current efforts by Government in coordinating and rationalising investment in the fibre optic cable to the undersea cable to facilitate speedy and reliable connectivity at minimal cost is expected to help improve trade.

## **8.4 INTELLECTUAL PROPERTY RIGHTS (IPRs)**

Zimbabwe enacted various Intellectual Property Rights laws, between 2001 and 2004, to protect innovators over creations of their minds. These laws, namely, Copyrights, Trademarks, Geographical Indications, Industrial Designs, Patents and Layout Designs of Integrated Circuits, are aimed at encouraging creative work and technological innovation, ensuring fair competition, as well as facilitating the transfer of technology.

The laws provide intellectual property protection for literary, dramatic, musical or artistic work, cinematograph films, sound recordings, broadcasts, computer programmes, patents, trademarks, industrial designs, among others. For instance, producers of literary works (all written material, speeches and poetic and dramatic works) and artistic works (paintings, sculptures, photographs, drawings, crafts, etc) are protected by copyrights. Over and above the various IPRs legislation, the Ministry of Justice and Legal Affairs is developing a National Intellectual Property Policy.

It is acknowledged that while these laws are in place, the public is not fully aware of their existence. In this regard, Government has established an Inter-Ministerial Committee (IMC) on IPR which will undertake awareness campaigns through the media in order to educate the public and business people about intellectual property rights in order to encourage innovation. Measures will be taken to enforce the IPR legislation through prosecution and imposition of deterrent fines on those who violate IPR laws.

## **8.5 AID-FOR-TRADE INITIATIVE**

The Aid-for-Trade Initiative by the World Trade Organisation is of particular significance to a land-locked country like Zimbabwe. The initiative is aimed at addressing supply-side constraints for developing countries to boost trade and it targets the following four areas, namely, Technical Assistance, Infrastructure Development, Productive Capacity and Adjustment Assistance. The Government of Zimbabwe will continue to engage cooperating partners for technical assistance to help build supply-side capacity and trade-related infrastructure in order to expand trade.



## **8.6 COMPETITION POLICY**

The Competition and Tariff Commission (CTC) is the Investigating Authority for unfair trade practices taking place in Zimbabwe. The mandate of the Commission is to promote and maintain competition and fair trade in the economy. This is done through the prevention and control of restrictive practices, regulation of mergers, prevention and control of monopoly situations, and prohibition of unfair business and trade practices.

As the country integrates into the regional and global trading systems, the promotion of a fair, transparent and predictable trading environment is necessary at the national level. In this regard, Government will strengthen the enforcement of competition laws and regulations through the Competition and Tariff Commission as provided by the law in order to prevent horizontal and vertical anti-competitive agreements, abuse of dominance (or monopolisation), and anti-competitive mergers and acquisitions. Restrictive anti-competitive practices that will be monitored include; collusive arrangements between competitors (price-fixing and market-sharing arrangements), bid-rigging, predatory pricing, resale price maintenance and exclusive dealing. Other prohibited practices include; tied or conditional selling, discriminatory pricing, excessive pricing, tie-in sales and quantity forcing. A number of unfair consumer practices, such as misleading advertising, false bargains, distribution of commodities or services above advertised price, and undue refusal to distribute commodities or services will also be monitored.

## **8.7 TRADE AND GENDER**

The Government will ensure gender mainstreaming in the implementation of the National Trade Policy by facilitating the participation of the marginalized. Due consideration will be given

to women to equally access trade finance and trade support facilities. The Government will facilitate the participation of women in local, regional and international exhibitions to create market linkages for women products and to improve networking with other organisations which support women empowerment, gender equality and community development. The policy will also explore and consider extending the concept of the Simplified Trade Regimes to other neighbouring trading partners under the auspices of COMESA/SADC or bilateral trading arrangements in order to facilitate and simplify cross-border trade which is mainly dominated by women.

## **8.8 TRADE AND ENVIRONMENT**

Government recognises the link between trade and environmental protection, consisting of both the impact of environmental policies on trade, as well as the impact of trade policies on the environment. The Government will put in place measures to ensure that trade and environmental policies are mutually supportive in order to achieve sustainable development. In addition, the Ministries of Industry and Commerce and Environment and Natural Resources Management will improve coordination in order to minimise policy conflicts between trade and environment.

## **9.0 IMPLEMENTATION OF NATIONAL TRADE POLICY**

### **9.1 NECESSARY CONDITIONS**

The vision of the National Trade Policy for trade to function as the engine for sustainable economic growth and development of Zimbabwe can only be achieved based on an inclusive approach involving all relevant stakeholders in formulation, implementation, monitoring and review. These stakeholders include the Government as facilitators and implementers, the Private Sector as partners and implementers, and the Civil Society as supporters.

A stable macroeconomic environment is necessary to create a conducive environment for trade to thrive. Policies such as the use of the multi-currency system and exchange control liberalization, among other trade-supporting fiscal and monetary policies, are expected to remain in place. Any policy reversals and inconsistencies will, to a greater extent, affect the implementation of the National Trade Policy and attainment of the intended objectives.

The implementation of the National Trade Policy is also premised on the expectation that the central Government system continues to function well with institutional capacity to create an environment that will continue to restore business confidence to trade and invest.

### **9.2 INSTITUTIONAL FRAMEWORK**

The Ministry of Industry and Commerce will spearhead the implementation of the National Trade Policy to facilitate the productive sectors of the economy towards export-orientation and international competitiveness whilst ensuring that Zimbabwean

firms and households enjoy continued access to a wide range of high quality goods and services. All relevant stakeholders, both public and private including all economic Ministries and Government Departments and the business community, are expected to play key roles in implementing this National Trade Policy in order to achieve the the ultimate objective of increasing export earnings by at least 10% annually in line with the Medium Term Plan.

### **9.3 IMPLEMENTATION FRAMEWORK**

A separate document showing the Key Action Plans for the implementation of the National Trade Policy will accompany this policy document. The implementation framework will clearly specify what needs to be done (policy issue), how (activity), when (time frames) and by who (responsibility).











**Published by:**

Ministry of Industry and Commerce  
13th Floor, Mukwati Building  
Cnr. 5th Street & Livingstone Avenue  
Private Bag CY7708, Causeway, Harare, Zimbabwe  
Telephone: +263-4-702731/730633/791823-7  
Fax: +263-4-729311/723765/722767/702738/707351  
Email: [miit@indandcom.co.zw](mailto:miit@indandcom.co.zw); [itrade@indandcom.co.zw](mailto:itrade@indandcom.co.zw)  
Website: [www.miit.gov.zw](http://www.miit.gov.zw)

Printed by Printflow (Private) Limited