



ZIMBABWE

ZIMBABWE NATIONAL TRADE POLICY

2019-2023

Towards a Transformed and Internationally-Competitive Economy
Driven by Robust Domestic and International Trade



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ACRONYMS

AfCFTA	African Continental Free Trade Area
BIPPA	Bilateral Investment Promotion and Protection Agreement
BTA	Bilateral Trade Agreement
COMESA	Common Market for East and Southern Africa
CFC	Common Fund for Commodities
CTC	Competition and Tariff Commission
DDBS	Duty Draw Back System
EAC	East African Community
EPA	Economic Partnership Agreement
EU	European Union
FDI	Foreign Direct Investment
HS	Harmonized System
ICT	Information Communication Technology
IDP	Industrial Development Policy
IMF	International Monetary Fund
ITC	International Trade Centre
TERC	Trade and Economic Relations Committee
MFN	Most Favoured Nations
NTP	National Trade Policy
OGIL	Open General Import Licence
OSBP	One Stop Border Post
PPP	Public Private Partnerships
RBZ	Reserve Bank of Zimbabwe
REC	Regional Economic Community
SADC	Southern African Development Community
SAZ	Standards Association of Zimbabwe
SEZ	Special Economic Zones
SME	Small to Medium Enterprise
SI	Statutory Instrument
SPS	Sanitary and Phytosanitary Measures
TBT	Technical Barriers to Trade
TFTA	Tripartite Free Trade Area
TPR	Trade Policy Review
UNCTAD	United Nations Conference on Trade and Development
WTO	World Trade Organisation
ZIMSTATS	Zimbabwe National Statistics Agency
ZIMRA	Zimbabwe Revenue Authority
ZITF	Zimbabwe International Trade Fair
ZTA	Zimbabwe Tourism Authority

PREFACE BY HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF ZIMBABWE

Zimbabwe's trade potential has not been fully tapped to enable the country to meaningfully gain from trade – the engine for economic growth and development. Over the years our trade policy has largely been inward-looking in an attempt to safeguard local industry from unfair import competition. However, the new thrust is to balance the country's trade interests by strategically opening up for business to promote mutually advantageous trade and investment. The Government is cognisant of the challenges that have continued to impact on local industry. There is need to balance our policy intervention measures in line with the tenets of, and our commitments to, the regional trade integration agenda and the multilateral trading system that we are party to.



His Excellency The President
of The Republic of Zimbabwe
Emmerson D. Mnangagwa

The vast natural and human resources that Zimbabwe is endowed with require policy strategies that will enable the country to build production capacity and generate the much-needed foreign exchange earnings through exports. The country has largely relied on exportation of primary commodities with exports of value-added goods and services having remained subdued due to a number of factors. The new Zimbabwe Industrial Development Policy (2019-2023) and the Zimbabwe National Trade Policy (2019-2023) thus seek to propel Zimbabwe's industrialisation towards a transformed and internationally competitive economy driven by robust free and fair domestic and international trade. Government commits to facilitate and support all sectors of our economy to contribute and sustain the economic growth trajectory that we are pursuing as pronounced in the Transitional Stabilization Programme (2018-2020). Government is resolute in attracting both domestic and foreign investors to set up and produce goods and services in Zimbabwe, not only for the domestic market but also for trade within the region and globally.

Specific strategies to support the development and promotion of exports are pronounced in the National Export Strategy (2019–2023) – an implementing part of this National Trade Policy. Trade facilitation will be prioritised by Government and measures will be put in place to eliminate uncertainty and increase trade policy predictability for both traders and investors. In addition, Government will continue to engage in formal trade negotiations at bilateral, regional and multilateral levels with trading partners to promote and advance Zimbabwe's trade interests. I urge all stakeholders to embrace the Zimbabwe National Trade Policy (2019-2023) and National Export Strategy (2019-2023) and share the National Vision towards an Upper Middle Income Economy by 2030.

Government will prioritise advancing economic diplomacy, with the main thrust being to facilitate trade i.e. increase exports and sourcing of critical imports for the country; and attracting foreign investors to set up and produce goods and services in Zimbabwe, not only for the domestic market but also for trade within the region and globally. The scope of our economic diplomacy engagements will also facilitate access trade-related development support from cooperating partners.

His Excellency Emmerson D. Mnangagwa

PRESIDENT OF THE REPUBLIC OF ZIMBABWE

FOREWORD BY THE HONOURABLE MINISTER OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE

The Zimbabwe National Trade Policy Vision and Export Promotion Strategy seeks to contribute towards the attainment of the National Vision 2030 goals. Exports and foreign currency generation are key to sustaining the functioning of the Zimbabwean economy.

Recognising that the country's trade performance over the years has fallen short of expectations, the new National Trade Policy (2019-2023) specifies measures and strategies that will guide Zimbabwe's trade regionally and internationally for the next five (5) years towards export-orientation and international competitiveness. The trade policy seeks to facilitate trade and engender a culture of producing for export in local productive and services sectors. The main thrust of the policy is to transform Zimbabwe from an exporter of raw commodities and semi-processed products to an exporter of internationally competitive high value products. The competitiveness orientation of the National Trade Policy is expected to ensure that trade becomes a major engine to drive sustainable development in the country, creating employment, eradicating poverty and ensuring environmental sustainability.



Hon Lt. Gen. (Rtd) Dr.
Sibusiso B. Moyo (MP)
Minister of Foreign Affairs &
International Trade

The National Trade Policy is buttressed by the Zimbabwe National Export Strategy (2019-2023) which elaborates strategies and measures to promote exports, and effectively position the country's exports in traditional markets and securing new markets. The main strategic goal is to increase total exports by at least 10% annually from USD 4 billion in 2018 to USD 7 billion by 2023, and to USD 14 billion by 2030 (THE 7:14 EXPORTS TARGETS). The National Trade Policy and Export Promotion Strategy (2019-2023) are well in line with the export-led industrialisation strategy as articulated in the Zimbabwe Industrial Development Policy (2019-2023).

Focus will be put on enhancing participation in programmes and initiatives aimed at promoting and facilitating trade under bilateral, regional and multilateral arrangements. This is intended to ensure that Zimbabwe takes full advantage of preferences and opportunities availed by way of our membership to trading agreements under SADC, COMESA, the African Continental Free Trade Area (AfCFTA), ACP-EU and the World Trade Organisation (WTO) in order to boost our trade significantly and sustainably beyond current levels.

The Trade Policy Vision and Export Promotion Strategy is a product of a wider public-private stakeholder consultative process which benefitted immensely from the Ease of Doing Export Business Rapid Results Initiative (RRI) that has been ongoing. The successful implementation of the National Trade Policy and National Export Strategy will therefore be based on a participatory and inclusive approach where the private sector is expected to take the lead.

Effective and coordinated implementation of the afore-mentioned policies and strategies will ensure sustainable industrial growth, particularly in the manufacturing and services' sectors, thereby propelling Zimbabwe to its rightful destination of prosperity as an Upper Middle Income Economy by 2030, as set out in the national economic blueprint, the Transitional Stabilisation Programme (2018-2020).

Hon Lt. Gen. (Rtd) Dr. Sibusiso B. Moyo (MP)

MINISTER OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE

1. PREAMBLE

The Zimbabwe National Trade Policy Vision and Export Strategy towards the National Vision 2030 Agenda envisages a transformed, dynamic and internationally-competitive economy, driven by robust domestic and international trade. The trade policies and export strategies are articulated in the National Trade Policy (2019-2023) and the National Export Strategy (2019-2023), which are anchored on the Zimbabwe National Industrial Development Policy (2019-2023) whose main thrust is advancing Zimbabwe's export-led industrialisation agenda. Zimbabwe has the resources and capacity to produce for own consumption, hence the trade policy will prioritise import-substitution with export-orientation.

- 1.1 The National Trade Policy (2019-2023) seeks to reform and open up Zimbabwe for free and fair trade in line with the multilateral trading system. Thrust will also be put on export development and promotion; diversification of export products and export markets; and market access at negotiations at bilateral, regional and multilateral levels. The strategic goal is to facilitate the growth of national exports of goods and services by at least 10% annually from US\$4.5 billion in 2018 to US\$7 billion in 2023, and US\$14 billion by 2030. **These are the 7/14 Export Targets Towards Vision 2030.**
- 1.2 Essentially, the National Trade Policy (2019-2023) responds to key issues that affect the competitiveness of Zimbabwe businesses at international, national and individual enterprise levels. Thrust will be on addressing the following trade-related issues;
 1. **Development Gear Issues** - enabling macroeconomic policy environment; high level political commitment and buy-in on trade policy; and mainstreaming of external trade issues into the overall national economic planning process towards achieving the core development issues.
 2. **Border-In Gear Issues** - firm and national level measures for increasing competitiveness, namely production skills, technology, marketing, and capacity development services to build on existing and new production, and broadening the national export base as well as the competency of development services for exporters.
 3. **At Border Gear Issues** - matters related to transaction costs incurred by the business enterprises at the border and these typically include bottlenecks in trade-related infrastructure such as transport, communication, cost and availability of finance, and administrative border procedures and documentation requirements.
 4. **The Border-Out Issues** - identification of commercial opportunities beyond the border such as, negotiating increased market access for exportable products and services in priority markets, promotion of trade, investment, enhancing the country's national image, as well as increasing market contacts through participation at fairs and exhibitions, and trade support.

2. BACKGROUND

2.1 Trade Policy Regime

Zimbabwe's Trade Policy regime has been aimed at promoting the growth and development of the private sector in the production and distribution of goods and services for both the domestic and international markets. Essentially, the thrust has been on facilitating trade development, export promotion and compliance with regional and multilateral trade protocols which are premised on progressive liberalization of trade. Focus has also been on safeguarding the interests of domestic industries against unfair trade practices and structural factors which posed a serious threat to competitiveness.

The unstable macroeconomic environment experienced during the period 2000 to 2018 forced Zimbabwe to adopt an inward-looking trade policy. The tariff regime and import management measures that evolved over the years have been influenced by Government's need to respond to national developmental needs under a very difficult operating environment.

2.2 Trading Arrangements

Zimbabwe is Party to a number of bilateral, regional and multilateral trading arrangements.

2.2.1 Bilateral Trade Agreements

At the bilateral level, Zimbabwe entered into Bilateral Trade Agreements (BTAs) encompassing both Preferential Trade Agreements (PTAs) and Most Favoured Nations (MFN) agreements with over forty countries across the globe. These agreements are aimed at broadening the scope for market access and facilitating trade on the basis of reciprocity.

The Government of Zimbabwe has been reviewing the existing Bilateral Trade Agreements with a view to assess their relevance and to accommodate developments at the national, regional and multilateral trading systems. 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.

A deliberate strategy has also been adopted by Government to enter into Memoranda of Understanding on Economic, Trade and Investment Cooperation with key partner countries as general frameworks to promote and facilitate enhanced economic cooperation, bilateral trade and cross border investments.

2.2.2 COMESA and SADC

Zimbabwe is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC) Free Trade Protocols in support of the regional integration agenda. The Free Trade Area (FTA) Protocols provide for duty-free trade in goods for COMESA and SADC member states, provided such goods meet set criteria on the rules of origin.

2.2.3 Tripartite Free Trade Area (TFTA)

The Tripartite Free Trade Area comprises of 27 countries of the COMESA, the East African Community (EAC) and SADC regional economic communities (RECs), and aims at promoting economic and social development of the region; creating a large single market with free movement of goods and services to promote intra-regional trade; and cooperation in all trade-related areas among Tripartite Member/Partner States.

Zimbabwe recognises the TFTA as an important platform to address challenges brought about by its overlapping membership to COMESA and SADC. In the Tripartite, Zimbabwe has maintained the prevailing preferential trading arrangements under SADC and COMESA.

2.2.4 The African Continental Free Trade Area (AfCFTA)

Zimbabwe is a member of the African Union and is participating in the African Union Agenda 2063 flagship project to establish an African Continental Free Trade Area (AfCFTA). The AfCFTA is aimed at boosting intra-African trade by integrating Africa's markets in line with objectives and principles enunciated in the Abuja Treaty Establishing the African Economic Community. The Agreement Establishing the AfCFTA was signed in March 2018. The Agreement entered into force on 30 May 2019 and trading under this arrangement will commence on 1 July 2020 with gradual tariff phase downs. The AfCFTA provides an opportunity for Zimbabwe to expand into the African markets with duty-free market access for goods and services.

2.2.5 Economic Partnership Agreement with the European Union

Zimbabwe, has since 2012, been implementing the Interim Economic Partnership Agreement (iEPA) with the European Union (EU) which provides secure full duty-free, quota-free market access for exports into the EU market. Zimbabwe is engaged in the preparation for negotiations on the deepening of the Interim EPA with the EU under the Eastern and Southern African (ESA) configuration.

2.2.6 Economic Partnership Agreement with the United Kingdom

Zimbabwe is signatory to ESA-United Kingdom of Great Britain and Northern Ireland (UK) Agreement. The Agreement was signed in January 2019 to allow for the continuation of the duty-free and quota-free market access to the UK by Zimbabwe post UK Brexit from the EU.

Zimbabwe will initiate the ratification/domestication process whilst monitoring the developments with regards to British exit from the European Union (BREXIT).

2.2.7 The World Trade Organisation (WTO)

Zimbabwe has been a member of the WTO since March 1995 having been a General Agreement on Tariffs and Trade (GATT) contracting party since July 1948. Zimbabwe has been participating in the multilateral trading system negotiations of the WTO with the aim to advance the country's interest in enhancing market access to the rest of the world.

At WTO, Zimbabwe bound its tariffs on all agricultural products at 150%, for non-agricultural products at 35% and "other duties and charges" on these lines are bound at 15%. In total, 22.4% of Zimbabwe's tariff lines are bound, with 100% of agriculture tariff lines bound and 9.1% of non-agriculture tariff lines bound. Zimbabwe's specific commitments under the General Agreement on Trade in Services (GATS) cover financial services (insurance and insurance-related services, banking and other financial services), tourism and telecommunication services.

3. RATIONALE FOR A NEW NATIONAL TRADE POLICY

- 3.1 Zimbabwe's National Trade Policy (2012-2016) framework was targeted to facilitate increase in export earnings by at least 10% annually from US\$4.3 billion in 2011 to US\$7 billion in 2016. The projections were premised on the remarkable rebound in exports that was experienced after the dollarisation of the economy in 2009. However, this was not achieved as exports remained subdued.
- 3.2 Despite the vast natural resource endowments, diversified industrial base, rich human capital endowment and the strategic location in the region, Zimbabwe's trade performance has fallen short of its potential to propel economic growth and development. The following are some of the identified factors that have continued to affect trade and the growth of exports in Zimbabwe;
1. Incoherent trade policies and practices in the conduct of domestic, bilateral, regional and international trade;
 2. Competitiveness challenges on the international market due to high costs of production;
 3. Limited investments, and limited value addition and beneficiation due to lack of requisite technology;
 4. Unstable commodity prices on the international market for mineral commodities and agricultural produce such as tobacco and cotton;
 5. Balance of payment challenges, and sanctions that remain imposed on Zimbabwe affecting securing of trade finance facilities and processing of international payments.
 6. High logistical and transportation costs and regulatory bottlenecks on export business.
- 3.3 The National Trade Policy (2019-2023) therefore seeks to address some of these challenges to ensure that trade remains key to sustaining economic growth. It spells out the policies and strategies that are intended to position Zimbabwe on its planned Vision 2030 development trajectory driven by export-led industrialisation enunciated in the Zimbabwe National Industrial Development Policy (2019-2023).

- 3.4 The development of Zimbabwe's new National Trade Policy is not only intimately linked and influenced by Zimbabwe's commitments in bilateral, regional and multilateral trade arrangements, but the policy will also serve as a guideline for future regional trade engagements so as to ensure effective and meaningful participation of the country in the changing regional and global trade, and economic environment.

4. TRADE POLICY VISION, MISSION AND OBJECTIVES

4.1 Vision

A transformed, dynamic and internationally competitive Zimbabwean economy, driven by robust domestic and international trade.

4.2 Mission

To develop and support the productive and services sectors of the economy towards export orientation and international competitiveness.

4.3 Primary Goals

The National Trade Policy Vision towards the Vision 2030 National Agenda will be guided by the following primary goals: -

1. Promote free and fair domestic and international trade.
2. Advance export-led production and industrialisation.
3. Promote export product and export market diversification.
4. Enhance export development and promotion activities.
5. Improve trade facilitation.
6. Enhance bilateral, regional and multilateral trade integration.

4.4 Specific Objectives

The main objectives of the 2019-2023 National Trade Policy are to;

1. Reform and open up Zimbabwe for free and fair trade.
2. Increase the national exports of goods and services by at least 10% annually from US\$4.5 billion in 2018 to US\$7 billion in 2023, and US\$14 billion by 2030.
3. Improve the balance of trade position by at least 10% annually from US\$2.2 billion in 2018 to US\$ 1.2 billion in 2023.
4. Increase export product and export market diversification.
5. Improve Zimbabwe's world ranking on Trading Across Borders from 54.34 percentage points in 2018 to 65 percentage points in 2023, and to 75 percentage points by 2030.
6. Improve integration into the multilateral trading system.

5. FREE AND FAIR DOMESTIC AND INTERNATIONAL TRADE

5.1 Tariffs Policy

Government will implement a tariff policy aimed at enabling the importation of raw materials and capital goods to stimulate production and export of value-added goods. The tariff policy will also be one of the measures that will be utilized to encourage investment in prioritised sectors, strengthen value chains, and enhance local industry competitiveness.

5.2 Rules of Origin

Government will participate in the rules of origin development and review process being undertaken in the region to make them simple and industry friendly. Capacity building workshops will be conducted to train customs, investment, industry, and trade officials, together with the private sector, on the rules of origin applicable in existing trade agreements and certification mechanisms.

5.3 Standards and Quality

Government policy seeks to implement internationally accepted quality standards and accreditation programs to develop local standards based on internationally accepted standards. This will be done by developing a national policy on standards and quality assurance which would ensure adherence to the World Trade Organisation Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT) agreements, among other international standards agreements. Government will put in place legislation which will make it mandatory for companies to comply with specified national and international standards on both imports and exports.

Regulatory quality and institutional linkages will be strengthened with the aim of fostering vertical coordination between buyers and suppliers.

5.4 Trade Remedies

Government will make use of trade remedies to counter unfair trade practices in accordance with provisions of regional and multilateral trade agreements which the country is party to. Government will capacitate and strengthen the Competition and Tariff Commission (CTC) through training and collaboration with other countries that are already investigating unfair trade practices, for the commission to be able to effectively undertake investigations on unfair trade practices.

6. EXPORT-LED PRODUCTION AND INDUSTRIALISATION

6.1 Developing and Nurturing Export Culture

The main thrust of Government policy is to nurture a culture of producing for export which is essential for firms to attain international competitiveness and benefit from economies of scale. The export-led production strategy requires firms to re-orient their business models towards competitive production of high quality and valued-added goods and services for

export. The promotion of an export culture is key to internationalise Zimbabwe's goods and services in a highly competitive global environment.

Government, through ZimTrade (the national trade development and promotion organisation) will nurture a culture of exporting in local enterprises through training and capacity building, export awareness and recognition of consistent exporters in the economy. The policy will offer support to business enterprises to re-orient their business models towards competitive production through sector-specific intervention programmes. Government will use tariffs and non-tariff measures as means through which selected sectors are allowed space to re-tool and attain export competitiveness.

6.2 Sector Prioritisation

Effective participation in international trade will require identification of areas that have existing and potential competitive advantage. In line with the emergence of regional and global value chains Government has identified and prioritised the following sectors; tourism, horticulture, leather and leather products, food and beverages, textiles and clothing, wood and furniture, arts and crafts, as well as mineral beneficiation and trade in services.

6.3 Participation in Regional Value Chains and Development of Clusters

Government recognises the importance of promoting the establishment of export-oriented value chains and clusters around large exporting firms and coordination of linkages between SMEs and large firms as a strategy for promoting trade and transfer of expertise. The establishment of such clusters will be spearheaded through promoting supply contracts and other sub-contracting activities, using state procurement and promoting joint ventures with a view to encouraging SMEs to enter into the export business.

6.4 Establishment of Special Economic Zones (SEZs)

As part of the export-led industrialisation and trade policy, SEZs are intended to address slow growth in FDI, disinvestment, decline in export growth and export earnings, and job losses. Government has already identified areas for SEZ development and incentives are being offered to attract local and foreign investment into the SEZs. Public Private Partnerships (PPPs) will be adopted to support the development of necessary infrastructure in the zones.

6.5 Improving Trade Environment for Private Sector and SME Development

To support the transformation of informal businesses into formal SMEs Government recognises the need to continuously improve the environment for private sector in particular SMEs development as the basis for export-led development. Initiatives to improve access to finance, technology for SMEs and export marketing training programmes will be pursued while existing structures and platforms for effective public-private-sector dialogue will be strengthened. Programmes directed at strengthening capacity of intermediary organisations to render effective services to private sector will be strengthened.

7. EXPORT PRODUCT AND EXPORT MARKET DIVERSIFICATION

7.1 Export Diversification

Government policy is to diversify the country's exports by enhancing value addition, beneficiation and export competitiveness, expanding the export basket in addition to traditional exports to include non-traditional exports of goods and services, diversifying the export markets and reducing the current high level of dependence on a relatively small number of countries both as sources of imports and destinations of exports.

7.2 Trade in Services

The overall objective of the National Trade Policy is to enhance competitiveness of the services sector to meaningfully contribute to export earnings. Zimbabwe extends to services and services suppliers of any other WTO Member treatment no less favourable than it accords to like services and service suppliers of any other country.

In case of regional agreements, Zimbabwe will similarly extend to services and services suppliers of any other state party treatment no less favourable than it accords to like services and service suppliers of any other state party or third country. Where Zimbabwe has an existing preferential agreement entered into with a third country, or where it enters into a new preferential agreement with a third country, Zimbabwe will afford other state parties to a regional agreement the opportunity to negotiate the preferences granted on a reciprocal basis.

The coordination of specific sector policies will be strengthened to ensure compliance with multilateral and regional commitments. The enabling environment for increased trade in services in the following priority sectors will be improved – tourism services, financial services, business and professional services, education services, medical services, construction and engineering services, communication services, transport services and energy-related services.

Government will undertake an in-depth Trade in Services Diagnostic Study on Zimbabwe to establish the state of the sector and identify opportunities for exploitation and sub-sectors which the country would need to develop and promote. The findings of the study will inform the development of a comprehensive National Trade in Services Development Strategy for Zimbabwe which will guide the country in the development of the services sector.

8. TRADE DEVELOPMENT AND PROMOTION

The Government will pursue effective and comprehensive trade development strategies to buttress export-led production and industrialisation. This will be achieved through provision of trade finance, trade incentives and export credit guarantee insurance support to facilitate increased trade and investment.

8.1 Trade Incentives

Government policy seeks to review and improve the efficiency and effectiveness of existing trade incentives for traders and make them relevant to the changing and dynamic business environment.

8.2 Trade Finance

Government will support the venture fund through the Industrial Development Corporation of Zimbabwe that will offer companies short-to-long-term funding at concessionary rates. The Reserve Bank of Zimbabwe's (RBZ) pre-and post-shipment financing will be strengthened. Efforts will be made to enhance the utilization rate of available trade finance facilities by building the capacities of SMEs to develop bankable business plans and seeking relaxation of strict screening criteria used by commercial banks on SMEs applications.

8.3 Export Credit Reinsurance

Exporters require protection from unforeseen commercial and political risks such as unpredictable payment risks inherent in export transactions especially when entering new markets or dealing with new buyers.

Government acknowledges the importance of reinsuring exporters against inherent commercial and political risks in some export markets, and as such will resuscitate the Export Credit Reinsurance Fund in order to instil and restore exporters' confidence to enter new markets or deal with new buyers. Government will continue to strengthen the capacity of the Export Credit Guarantee Corporation (ECGC) of Zimbabwe to be able to cover both commercial and political risks particularly for the SMEs through the Export Credit Reinsurance Fund.

In 2016, Zimbabwe acceded to and became a full member of the African Trade Insurance Agency (ATI), a COMESA institution which provides export credit insurance, political risk insurance and investment guarantees. Zimbabwe's membership is expected to go a long way in facilitating Zimbabwe's trade with the rest of the world and attract the much-needed FDI to drive the country's industrialisation agenda and infrastructure development. Government will continue to encourage enterprises to continuously engage with the ATI and derive maximum benefits from their insurance products and services.

8.4 Trade Promotion

Key trade promotion institutions that include ZimTrade, Zimbabwe International Trade Fair (ZITF) Company and Zimbabwe Tourism Authority (ZTA) will be adequately resourced and capacitated to effectively deliver on their mandates. Efforts will be made to ensure increased participation at regional and international trade fairs, buyer and seller trade missions, deployment of Trade Promotion Officers (TPOs) in strategic and potential markets, increased publicity campaigns and expanding the scope of the country's premier international trade promotion events such as the Zimbabwe International Trade Fair (ZITF), Zimbabwe Agricultural Show (ZAS) and the Sanganyai/Hlanganani World Tourism Expo.

8.5 Brand Zimbabwe Promotion

Government will enhance the 'Nation Branding Project' to jointly promote the national brand from the tourism, investment and trade perspectives – the 'Visit-Invest-Trade' concept. The main objectives of the project are to transform and manage a positive country image locally, regionally and internationally; improve the country's attractiveness to tourists, investors, trading partners and local consumers; and create a National Brand to identify quality products produced in Zimbabwe for the exports markets.

9. BILATERAL, REGIONAL AND MULTILATERAL TRADE INTEGRATION

The overriding policy objective of Zimbabwe's participation in bilateral, regional and international trade and commodity arrangements is to enhance and safeguard market access for Zimbabwean products; seek and secure non-traditional niche markets; and maximise trade opportunities for Zimbabwean businesses. Zimbabwe will continually open up to preferential trade agreement negotiations at bilateral, regional and multilateral levels increase market access opportunities for Zimbabwean goods and services.

Zimbabwe commits to the Multilateral Trading System to advance the country's interests. The country will ensure that periodic Trade Policy Reviews by the WTO are undertaken as and when they are due in order to assess the conformity of the country's trade policies and practices to the Multilateral Trading System.

10. TRADE FACILITATION

10.1 Economic Diplomacy

Government will prioritise advancing economic diplomacy with trade and investment promotion activities being the priority focus areas at our Diplomatic Missions going forward. The main thrust will be to facilitate trade i.e. increase exports and sourcing of critical imports for the country; and attracting foreign investors to set up and produce goods and services in Zimbabwe, not only for the domestic market but also for trade within the region and globally. The scope of our economic diplomacy engagements will also facilitate access trade-related development support from cooperating partners.

10.2 Ease of Doing Business

Trade facilitation is a key factor in Zimbabwe's trade policy due to its capacity to generate major benefits for the economy in terms of facilitating improvement in competitiveness and efficiency. Government will implement reforms aimed at reducing the time and cost of importing, exporting and transit as well as improving Zimbabwe's world ranking on trading across borders.

The National Trade Facilitation Committee will spearhead and coordinate efforts aimed at supporting sustainable and diversified growth of exports and importation of critical raw materials, machinery and equipment necessary for export-oriented production.

Government will be guided by the Trade Facilitation Road-Map and the Trade Facilitation Implementation Plan in implementing the World Trade Organisation Trade Facilitation Agreement.

Government will facilitate the establishment of a One-Stop-Shop for the issuance of export and import licences for all merchandise trade to reduce the time and cost of doing trade business.

10.3 Border Efficiency and Management

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 One-Stop-Border-Post concept to other strategic ports of entry. The border control ecosystem will be digitalised to enhance border-clearance through the single-window system and to deter smuggling.

Government will also operationalise in-land dry port facilities in strategic cities in order to decongest the country's borders.

10.4 Facilitating Small-Scale Cross Border trade

Government will facilitate the implementation of Simplified Trade Regimes within the COMESA which allows informal cross border traders to import goods valued at up to US\$1000.00 duty-free. Effort will also be made to ensure that informal traders are registered with the Zimbabwe Revenue Authority to formally engage in cross-border trading business. ZimTrade will continue to assist small scale traders to find exports markets.

10.5 Investment Policy

Government is continually striving to improve the investment climate to encourage both foreign and domestic investment especially in strategic sectors that include Greenfield investment projects and services sectors. The Zimbabwe Investment and Development Authority (ZIDA) will facilitate investments into the country. Government will continue to put in place incentives geared towards export-oriented investment projects and also promote public-private partnerships (PPPs). Existing tax based investment incentives will be maintained and strengthened. Government will engage other countries with a view to either review and reactivate or initiate new Bilateral Investment Promotion and Protection Agreements in order to further strengthen investor confidence.

10.6 Aid for Trade

Aid to build capacity and facilitate the country to trade is a critical component that Government embraces in the development thrust towards vision 2030. To ensure a coordinated approach to Aid for Trade, Government will develop an Aid for Trade Strategy to engage Development Cooperating Partners to support trade facilitation initiatives

and programmes. Government will also work closely with cooperating partners through regional Aid for Trade programmes and implementing regional trade commitments for technical assistance to help build supply side capacity and trade related infrastructure and to access adjustment support.

10.7 Transport

Land-locked Zimbabwe has continued to face connectivity challenges to regional markets and this affects trade competitiveness because of high logistical costs. Government is committed to develop the country's land links (road and railway transport) and air links for the transport sector to play its pivotal role in facilitating trade through the movement of goods and people and turn the country into a gateway to markets in the Southern African region.

Government will implement the existing National Transport Policy together with the SADC Infrastructure Development Master Plan to facilitate the development of an integrated multi-modal transport system.

10.8 Electronic Commerce

Electronic commerce (E-Commerce) essentially involves the production, distribution, marketing, sale or delivery of goods (both physical and digital products) and services by electronic means. E-commerce can facilitate economic development by reducing costs of intermediation, and enabling the country to reach out to export markets in advanced countries.

Zimbabwe will develop a national e-commerce strategy to facilitate coordination among the different policy areas involved in e-commerce, to facilitate the implementation of e-commerce measures among diverse agencies, and to provide a clear objective to follow. Government will also work to provide a conducive e-commerce environment through provision of the following, among others;

- Access to affordable and high speed internet connectivity
- Access to e-platforms and development of e-platforms
- E-payment solutions
- Data regulations
- Online consumer protection
- E-government and e-procurement
- Intellectual Property Rights and enforcement

Zimbabwe will also participate in the work programme within the multilateral trading system that is actively pursuing the need to advance the subject of electronic commerce. Bilateral cooperation frameworks on e-commerce will also be pursued to learn from countries that have successfully adopted e-commerce.

10.9 Intellectual Property Rights (IPRs)

The Zimbabwe Intellectual Property Rights (IPR) Policy covering, Copyrights, Trademarks, Geographical Indications, Industrial Designs, Patents and Layout Designs of Integrated Circuits, is aimed at encouraging creative work and technological innovation, ensuring fair competition, as well as facilitating the transfer of technology. Government will put in place strategies and measures to protect IPRs and raise awareness. Government will also enforce the IPR legislation through prosecution and imposition of deterrent fines on those who violate IPR laws.

10.10 Competition Policy

The Zimbabwe Competition Policy is being implemented through the Competition and Tariff Commission to address unfair business practices and the Competition Act (14:28) is being reviewed to give the Competition and Tariff Commission (CTC) more powers to investigate and penalize defaulters. Government will strengthen the CTC to undertake its mandate by providing it with the requisite human and financial resources to be able to enforce competition laws.

10.11 Trade Policy Gender Mainstreaming

Government will mainstream gender in the implementation of the National Trade Policy cognisant of the important role played by women and youths in cross border trade. Assessments of the risks and benefits of trade and trade policy potential impacts on different segments of the population, in particular those who risk being left behind, including women and youths, will be undertaken. Priority on trade-related technical assistance will be given to women and youth-owned micro-small-and-medium enterprises to help them improve their capacity to trade; and this will be expected to help reduce the gender imbalances and promote inclusive economic growth.

Consideration will be given to ensure that women and youths get preferential access to finance, trade support, trade information, business premises in the form of factory shells, participation in local, regional and international exhibitions to create market linkages for women products and improve their networking chances. The establishment of dedicated financial institutions targeted at women and youths, namely the Zimbabwe Women's MicroFinance Bank and EmpowerBank for youths established in 2018 are some of the major initiatives already under implementation.

Government will also strengthen implementation of the COMESA Simplified Trade Regime which allows informal cross border traders to import goods valued at up to US\$1000.00 duty-free.

10.12 Trade and Environment

Government recognizes 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.

Government will put in place measures to ensure that trade and environmental policies are mutually supportive in-order to achieve sustainable development. In addition, Government will ensure that institutions responsible for trade and environment closely coordinate in order to minimise policy conflicts between trade and environment.

10.13 Engaging the Diaspora for Trade

In pursuit of the foreign policy, Government will tap into the diasporic economy to facilitate trade, expand the export market, promote product diversification, enhance investment and global competitiveness. This comes with the recognition that there is a positive relationship between migration and bilateral trade.

It is appreciated that the diaspora's sense of identity contributes to their consumption preferences and in this regard, products from homeland are highly demanded. This therefore, has potential to expand the export market for Zimbabwe, given the huge diaspora communities around the world. The diaspora are likely to enhance trade as they act as "brand ambassadors" of products from homeland/ country of origin and thus act as an entry point for trade and spur exports.

The policy thrust will be to;

- Facilitate establishment of collective warehouses run by the diaspora where all Zimbabwean products can be obtained from.
- Promote strategic partnerships between the local business community and the diaspora business associations.
- Exchange, extend and advertise tenders and contracts to the diaspora and vice-versa.
- Encourage and facilitate the participation of diaspora enterprises and businesses at local trade fairs and exhibitions.
- Negotiate and conclude bilateral labour agreements with key destinations for orderly export of excess vital service sectors in which Zimbabwe has competitive advantage.

11. NATIONAL TRADE POLICY IMPLEMENTATION

11.1 Policy Consistency and Coordination

The implementation of the National Trade Policy is premised on policy consistency and close collaboration within Government departments in mainstreaming trade policy objectives in their respective sectoral programs, harmonising administration of various trade related issues, streamlining trade legislations, enforcement and administration capacity to ensure policy consistency for optimal results.

The Government will continue to create an environment that continues to restore business confidence to trade and investment. Ministries will work to push common agenda building on the positive experiences of the past in line with the Transitional Stabilization Programme and Vision 2030.

11.2 Synergy with other National Policies

The National Trade Policy will complement other existing trade-related policies and strategies including the National Investment Policy, Zimbabwe Industrial Development Policy (2019-2023), the Comprehensive Agricultural Policy Framework (2012-2030); and the Mining Industry Development Strategy towards a US\$12 billion industry by 2023; Tourism Sector Development Strategy; the National Energy Policy; Science, Technology and Innovation Policy; among others.

All sectors of the economy – mining, manufacturing, services, and agriculture – will be expected to contribute to the attainment of the National Trade Policy objectives and National Export Strategy Targets of US\$7 billion by 2023 and US\$14 billion by 2030.

11.3 Institutional Capacity Development

The successful implementation of the National Trade Policy requires capacity development of key public and private sector institutions. The National Trade Policy will be driven by tripartite participation (Government, Business and Labour) in decision making and goal setting and a corresponding tripartite acceptance of responsibility.

11.4 Public Sector Capacity Development

Public sector capacity development will be targeted at key Government Ministries and institutions involved in trade-related issues. Technical assistance will be sought to train officials in trade policy analysis, diagnostics and negotiating skills, and other disciplines of the regional and multilateral trading system. Capacity of Members of Parliament on trade policy and trade-related matters will be strengthened through training. The need to capacitate Parliamentarians in critical since that are responsible for the ratification of trade agreements.

11.5 Private Sector Capacity Development

Private sector capacity development is critical in order to ensure active involvement of all relevant private sector and civil society stakeholders as the direct beneficiaries, partners and implementers of the National Trade Policy. Government will keep the private sector and civil society abreast of developments in the regional and multilateral trading negotiations and ensure that they make an input through extensive stakeholder consultations.

Government will also provide opportunities for training of all stakeholders on the benefits and challenges of the Trade Agreements. Business associations will also be facilitated to enter into cooperation agreements with their regional and international counterparts to promote business networking.

11.6 Trade Support Institutions

For Trade Support Institutions, the main focus is to improve the capability of trade promotion organizations such as ZimTrade, Zimbabwe Tourism Authority, Zimbabwe International Trade Fair Company, the Competition and Tariff Commission and the Standards Association of Zimbabwe.

The capacity of the national trade development and promotion organisation, ZimTrade, will be enhanced to be able the organisation to undertake modern day export promotion activities especially in areas of market intelligence and profiling and export market research.

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. For the Competition and Tariff Commission, Government will continue to 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 educational, awareness and training programmes for the broader public and private sector community to understand their respective roles and contributions in promoting trade.

11.7 Implementation, Monitoring and Evaluation (IME)

A harmonised Implementation, Monitoring and Evaluation (IME) Framework is accompanying the National Trade Policy and National Export Strategy indicating key actions and tasks for implementation. The IME framework specifies what needs to be done (policy issue), how (activity), the resources required, who (responsibility), when (timeframes), expected output and outcomes, and follow up actions. Further stakeholder consultation would be conducted on the IME Framework in order to generate consensus and ownership by implementing agencies.

Successful implementation of the National Trade Policy can only be achieved on the basis of an inclusive approach that involves all relevant stakeholders in its design, implementation, monitoring and review. The key stakeholders include government as facilitator, the private sector as the economic operators and direct beneficiaries, and civil society as the indirect beneficiaries and supporters. Overall responsibility for trade policy lies with the Ministries and Departments responsible for industrial policy and for trade development and promotion.

The implementation of the National Trade Policy will be anchored on the following core responsibilities:-

- i. Adoption of the implementation framework and strategy;
- ii. Development of trade sector development plans;
- iii. Provision of guidance and supervision to affiliated institutions;

- iv. Mobilisation of resources for implementation of the policy;
- v. Coordination and evaluation of overall performance of trade sector; and
- vi. Ensuring alignment and integration of NTP objectives into sectoral programmes and national development plans.

11.8 Trade and Economic Relations Committee (TERC)

The Trade and Economic Relations Committee (TERC) that will be chaired by Ministry of Foreign Affairs and International Trade will be revived as an inter-institutional consultative mechanism (including public, private sector and civil society) charged with monitoring and reviewing the implementation of the National Trade Policy and other trade-related matters. The TERC will also be responsible for preparing negotiating positions for Zimbabwe in regional and multilateral negotiations.

The need to enhance effective collaboration among Government Ministries and Departments that work on trade-related issues is critical, and the capacity of all key stakeholders responsible for implementation the National Trade Policy would need to be strengthened.

The implementation of the National Trade Policy will be reviewed annually to assess progress. The mid-term review will be conducted in 2021 and will take into account the outcomes of the 3rd Trade Policy Review of Zimbabwe by the World Trade Organisation. The trade policies and practices of all Members of the WTO are subject to periodic reviews undertaken by the General Council convening as the Trade Policy Review Body.

The successful implementation of the National Trade Policy will be premised on the following;

- i. Policy Consistency and Coordination among Government Departments.
- ii. Institutional Capacity Development for key public and private sector institutions, and Trade Support Institutions including ZimTrade and the Competition and Tariff Commission.
- iii. An inclusive approach that involves all relevant stakeholders in its design, implementation, monitoring and review.







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