



**Trade Policy Review Body
30 September and 2 October 2020**

TRADE POLICY REVIEW

ZIMBABWE

MINUTES OF THE MEETING

Chairperson: H.E. Mr Harald Aspelund (Iceland)

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1 INTRODUCTORY REMARKS BY THE CHAIRPERSON

1.1. The third Trade Policy Review of Zimbabwe was held on 30 September and 2 October 2020. The Chairperson, H.E. Mr. Harald Aspelund (Iceland), welcomed the delegation of Zimbabwe, headed by the Honourable Dr. David Musabayana, Deputy Minister of Foreign Affairs and International Trade; H.E. Mr. Taonga Mushayavanhu, Permanent Representative of the Republic of Zimbabwe to the United Nations Office at Geneva; and the discussant, H.E. Ms. Xolelwa Mlumbi-Peter (South Africa).

1.2. The Chairperson was pleased that, in addition to physical presence, the meeting also benefited from the Interprefy online connection, allowing for a wider participation of the Membership, in particular of Zimbabwean officials who could not make the journey from Harare given the current circumstances.

1.3. The Chairperson recalled the purpose of TPRs, and the main elements of procedure for the meeting. The report by Zimbabwe was contained in document WT/TPR/G/398 and that of the WTO Secretariat in document WT/TPR/S/398.

1.4. Questions by the following delegations were submitted in writing before the deadline: United Kingdom; European Union; United States; Canada; Indonesia; China; and Thailand. The following delegation submitted written questions after the deadline: Iceland.

1.5. At the time of its previous Review in 2011, Members had commended Zimbabwe on its economic reform efforts, including the de facto adoption of the US dollar as legal tender in 2009, which brought an end to hyperinflation; and for the introduction of more discipline to its fiscal system. These reforms enabled the economy to break a decade-long recession. However, Members had also noted the challenges posed by high unemployment and by an external debt approaching unmanageable proportions; they had also voiced concerns about Zimbabwe's controversial land reform and indigenization programme.

1.6. The Chairperson focused on developments in Zimbabwe's trade and investment regimes since the previous Review. According to the Secretariat report, the Zimbabwe economy, including its external trade, underperformed during the review period. A survey of the advance questions submitted for this Review showed the wide range of topics of interest to Members regarding Zimbabwe's trade and investment regimes, including its participation in trade agreements, its customs procedures, and its use of trade measures such as import licensing, tariffs and other duties and charges. Four topics stand out among the issues raised by Members.

1.7. First, several Members welcomed the elimination of the indigenization programme, but they queried the restrictions still maintained on foreign investment, notably in agriculture, and asked about measures to further improve the business environment and kick-start the economy.

1.8. Second, following the re-introduction of a domestic currency 10 years after it was abolished, several questions focused on the exchange rate regime, including on the upholding of forex surrender requirements.

1.9. Third, many questions focused on state-trading entities, and the measures needed to improve their efficiency and achieve greater transparency, including the submission of WTO notifications on their activities.

1.10. Fourth, Zimbabwe's TBT and SPS regimes, including the purpose of its new pre-shipment inspection scheme, also attracted many questions.

1.11. In total, Zimbabwe received over 189 advance written questions from seven delegations for this Review, covering a broad range of topics. Prior to this meeting, Zimbabwe had already provided written replies to almost all of these questions, and the Chairperson looked forward to hearing Zimbabwe's updates on these issues during the Friday session.

1.12. This meeting was a good opportunity for Members to discuss in greater detail issues of interest to them and of systemic importance to the multilateral trading system. It was also an opportune moment for Zimbabwe to update the Membership on the impact of COVID-19 on its economy, and

measures it had taken in response, given that the documentation prepared for this Review was finalized before the pandemic and does not cover it. The Chairperson looked forward to a fruitful exchange.

1.13. He closed his introductory remarks by wishing Zimbabwe a very successful third Trade Policy Review.

2 OPENING STATEMENT BY THE REPRESENTATIVE OF ZIMBABWE (HON. DR. DAVID MUSABAYANA)

2.1. Good morning Geneva. It is a lovely morning here in Harare, while I understand that it is getting cooler in Geneva. It is my singular honour and pleasure to join you virtually from Harare on the occasion of Zimbabwe's third Trade Policy Review.

2.2. At the outset, I wish to extend my sincere thanks to you, Ambassador Aspelund, for the warm words of welcome, and for your kind invitation to me to deliver my statement on the state of Zimbabwe's trade policy regime, and how the international trade environment is impacting on our performance as a country.

2.3. Zimbabwe also wishes to thank the Ambassador of the Republic of South Africa to the World Trade Organization, Ms. Xolelwa Mlumbi-Peter, for agreeing to be the discussant for our Trade Policy Review. Allow me to also express our appreciation to all the WTO Members here present and those who posed questions to Zimbabwe for their interest on our Trade Policy Review. This is very historic for Zimbabwe in the sense that this review takes place 9 years after the country's second Trade Policy Review that was held in 2011.

2.4. The Government of Zimbabwe acknowledges the hard work and effort put in by the WTO Secretariat, and, in particular, the Trade Policies Review Division team led by Mr. Jacques Degbelo, to ensure that this review is a success. In the build-up to this meeting the Secretariat made preliminary visits to Zimbabwe and engaged several stakeholders to gather information on Zimbabwe's trade policy regime. The comprehensive report produced by the Secretariat is a true testimony to the great effort made by the team to have a report of the evolution of Zimbabwe's Trade Policies since 2011.

2.5. Zimbabwe is committed to a well-functioning, stable, predictable and fair multilateral trading system, despite the global rise of protectionism and growing trade tensions which have added uncertainty to the global economic environment. It is in this context that as a country, our trade performance since 2011 fell short of the expected targets. The trade basket has been concentrated on a few products and a few trading partners. The country's major imports in 2018 were fuel, electricity, fertilizer, chemicals, soya and a few other consumables, while exports were made up of tobacco, gold, nickel and chrome amongst other commodities. The country exported USD 4.037 billion worth of merchandise to the rest of the world in 2018 and imported USD 6.259 billion worth of merchandise in the same year, giving us a trade deficit of approximately USD 2.222 billion.

2.6. Since the last Review in 2011, Zimbabwe's Trade Policy regime has been very eventful due to the unstable macroeconomic environment that prevailed. From the outset, it is important to realize that, today, the World Trade Organization is reviewing the trade policies of a developing country whose enormous economic potential has been stifled by nearly two decades of illegal sanctions imposed by some sections of the international community. The illegal sanctions have contributed immensely to our inability to comply with some of our obligations under various treaties and agreements, and consequently have hindered the country's efforts to implement social, political and economic reforms at the pace that we would have wanted.

2.7. These sanctions create the impression of significant country-risk, resulting in many countries opting not to trade with us and reducing levels of new foreign investments. Some friendly countries which made attempts to partner with us in the economic sphere have suffered the effects of those sanctions, with some transactions being intercepted and some countries even facing threats of harsh consequences by those who sanction. A welcome development, however, has been the removal of some individuals and some state companies from the sanctions list. We look forward to the immediate and unconditional removal of all sanctions on Zimbabwe, so that we can participate fully and equitably in the global trading system. I am certain that many delegates participating in our meeting today will agree with me that it makes absolutely no sense to maintain and even tighten sanctions against a low-income developing country during a global pandemic.

2.8. The sanctions have also resulted in bilateral creditors and donors either reducing or suspending disbursements on loans to the Government and state-owned enterprises or parastatals. These same measures have resulted in limited access to financing facilities for the private sector for their

operations, leading to serious capacity-underutilization in industry across all productive sectors. Except for humanitarian aid, Zimbabwe has received limited developmental assistance during the period under review.

2.9. Notwithstanding the challenges bedeviling the economy, our economy has remained resilient. The economy grew by an average of 3.8 % between 2011 and 2019 and because of the impact of successive droughts, Cyclone Idai and the COVID-19 pandemic, it is expected to contract in 2020. Industrial capacity-utilization averaged 42.9% during the period under review. The main contributors to the low capacity- utilization were antiquated equipment, limited lines of affordable credit, drought, electricity and foreign currency shortages.

2.10. Agriculture remains a major driver of economic growth, with the sector growing by 8.0 % in 2018, but then contracting again, by 16.3%, in 2019. The sector is, however, expected to expand by 5% during the current year, 2020: this on the back of anticipated better seasonal rainfall and good forward planning.

2.11. Mining and quarrying grew by 15.3% in 2018, contracted by 12.3% in 2019, and is projected to grow by 4.7 % in 2020.

2.12. I am delighted to inform you that the Government of Zimbabwe developed a national economic development blue-print, the Transitional Stabilization Plan (2018-2020) which has guided the country's economic recovery and development efforts thus far.

2.13. Under the TSP, the new political dispensation has committed to speedily implement political and economic reforms as part of its efforts to stimulate economic growth and stabilize the macroeconomic situation. The short-term economic blueprint highlights policy reform initiatives aimed at stimulating domestic production, exports, rebuilding and transforming the economy to an upper middle-income status by 2030. The successor policy to the TSP, a National 5-Year Development Plan, is expected to be in place by the end of the coming month.

2.14. After extensive consultations with all relevant stakeholders, Government also introduced other key policy instruments to promote and drive economic activity. These policy instruments include: The Zimbabwe National Trade Policy (2019-2023), The National Export Strategy (2019-2023) and The Industrial Development Policy (2019-2023).

2.15. The main thrust of these closely inter-linked policies 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.

2.16. Zimbabwe ratified the Trade Facilitation Agreement (TFA) on 17 October 2018, and notified our consolidated category A, B and C commitments to the World Trade Organization (WTO) on 16 September 2019. The country is yet to ratify the Protocol Amending the TRIPS Agreement and would like to indicate that it hopes the process will be completed soon, after going through all internal consultations.

2.17. On the regional and international front, Zimbabwe is a member of COMESA, SADC, the Africa Continental Free Trade Area (AfCFTA), EU-ESA-iEPA and UK-ESA-EPA. We are implementing a number of regional programmes under these configurations. I am happy to report that during the period under review, Zimbabwe ratified the WTO Trade Facilitation Agreement, UK-ESA-EPA and the Africa Continental Free Trade Area (AfCFTA). The country is currently participating in negotiations to widen and deepen the existing EU-ESA-iEPA.

2.18. In the Mining Sector, Government amended the Mines and Minerals Act in 2015. The amendment aims, inter alia, to promote exploration and mining through a new "use it or lose it policy", by revoking unutilized claims held for speculative purposes. The law also formally recognizes (informal) small-scale mining, to enable the Government to support the small-scale mining sector, which is particularly important in gold and chrome mining.

2.19. The Government also undertook to improve transparency in the Mining sector through open bidding or the auctioning of mining rights. To this end, a Cadastre System is being developed. The system will help improve transparency in the sector. Funding constraints are hampering the completion of the system.

2.20. During the period under review, Zimbabwe has undergone considerable economic transformation. For example, the new Administration moved quickly to repeal the Indigenization Policy which imposed an obligatory 51% local ownership structure on all foreign investment. This requirement has been removed and investors are now free to negotiate shareholding arrangements on a win-win basis.

2.21. The Procurement Act has also been revised. A new Public Procurement and Disposal of Public Assets Act (Chapter 22:23) came into force on 1 January 2018, replacing the 1999 Procurement Act. Since 2018, the new Procurement Regulatory Authority of Zimbabwe (PRAZ) oversees public procurement proceedings to ensure transparency, honesty, cost-effectiveness and competition in public procurement.

2.22. Zimbabwe's monetary system has also undergone significant transformation over the years. The system based on the use of a 'basket-of-foreign-currencies' - introduced in 2009 as a means of stabilizing our-then hyper-inflationary situation - was abandoned in June 2019 by way of the re-introduction of our own local currency. In March 2020, the Government allowed the use of the foreign currency by individuals to pay for goods and services using free funds. As recently as June this year, the Reserve Bank of Zimbabwe introduced a weekly foreign exchange auction system to determine the Zimbabwean dollar exchange rate. This is proving to be more effective in terms of transparency, efficiency and, importantly, in gaining the confidence of our business community.

2.23. The fully market-determined exchange rate of our dollar - which, I am pleased to say, is gradually strengthening in value - has served to significantly reduce parallel or black market forex-dealing, has led to improved access to forex by productive sectors of our economy, has helped to stabilize prices and, over time, will bring down current high levels of inflation.

2.24. The Government, throughout the Trade Policy Review period of 2011 to date, has been busy spearheading reform of State enterprises through pursuing the following strategies as enunciated in the country's Vision 2030. The reform process was undertaken through Unbundling; Mergers; Departmentalization, Performance Reviews; and Privatization.

2.25. The Public Entities Corporate Governance (PECG) Act was enacted to govern operations of State-Owned Enterprises (SOEs). The purpose of the Act is to ensure that SOEs implement good corporate governance practices in order for them to operate efficiently, comply with and meet the objectives of their different mandates and benefit the ordinary citizens.

2.26. The country also launched its Intellectual Property Rights Policy and Implementation Strategy for the period (2018-22). This strategy seeks to rely on IPRs for economic growth and development, in science, technology and innovation; for rural development; and the growth of SMEs. The implementation of the Strategy has seen our Higher and Tertiary institutions of learning initiate the process of establishing IPR and Technology and Innovation Support Centers (TISC); it has also seen more IP filings from local applicants. Consideration is currently being given to the possibility of establishing IP Clubs at Secondary School level.

2.27. Zimbabwe introduced the Consignment Based Conformity Assessment (CBCA) system as a means of protecting consumers and the environment. Further, the country also introduced food fortification regulations that will help solve the country's micro-nutrient deficiencies such as goitre, anaemia, impaired vision and mental retardation.

2.28. The country continues to pursue a programme of Ease-of-Doing-Business reform – including: (i) implementation of pre-clearance requirements; (ii) implementation of risk-management principles in the clearance process; (iii) the modernisation of border operations; and (iv) reviewing the current system governing the operations of Authorized Economic Operators (AEOs). These reforms assisted the country to improve its ranking in the 2019 World Bank Ease of Doing Business index.

2.29. Before I conclude my statement, it would be remiss of me not to say a few words about the impact of the COVID-19 pandemic, and other challenges that have been a serious draw-back on Zimbabwe's economic performance during the period under review.

2.30. The current health pandemic visited us in the immediate wake of three successive years of drought and the devastation caused by Cyclone Idai which wreaked such havoc and caused such destruction to lives and livelihoods in Zimbabwe as well as in Mozambique and Malawi.

2.31. The COVID-19 pandemic continues to exact a heavy toll on individuals, families, the country's health system, the productive sectors, as well as businesses across our entire society. In line with our National Emergency Response and Recovery Strategy, Government has implemented a number of containment measures to protect life, livelihoods and the economy. We have done what we can within our limited resources, and with the much-appreciated support of our co-operating partners, to ensure the provision of essential medical supplies and equipment in the battle against this deadly, invisible enemy. I wish to thank all our co-operating partners for their invaluable support and their solidarity in our time of need. We count on your continuing engagement and support in the ongoing confrontation with COVID-19 and as we strive to mitigate its impact upon our already hard-pressed people.

2.32. The COVID-19 pandemic has reinforced our belief that we can only be as strong as the weakest members of society. The closure of international borders and national lockdowns has disproportionately impacted on our women folk, the youth, the disabled and other vulnerable groups. Government, again, has done its best to provide support by way of social safety nets. The preponderance of Zimbabwean women in the informal sector, including in cross-border trading, means they have been more heavily impacted than our menfolk by the containment measures implemented across our SADC Region. In addition, a significant number of our nationals working and living in neighboring countries have been forced, by harsh economic circumstances in their respective host countries, to return home.

2.33. Allow me to thank the WTO for providing technical assistance and capacity building through the Institute of Training and Technical Cooperation (ITTC). National and regional workshops were held, and our officials were capacitated in various WTO Agreements.

2.34. Zimbabwe, however, needs more technical assistance to help build supply-side capacity and trade-related infrastructure to expand trade and, in the process, to increase employment. Aid for Trade should also support the SMEs sector to contribute to economic growth and development through enhanced productive capacity and the provision of technical support for value chain analysis to increase efficiency as well as address SPS, TBT and other issues.

2.35. I would like to take this opportunity to invite WTO Members to take advantage of the vast trade and investment opportunities that Zimbabwe offers in the areas of agriculture, mining, energy, infrastructure, tourism, communications, manufacturing, just to mention a few.

2.36. Zimbabwe is open for business and we have undertaken major reform to this effect. Under this new thrust, we are geared towards ensuring that all engagements that we undertake with any partner country in the world should see us focus on economic outcomes which are mutually advantageous and beneficial.

2.37. In conclusion, I wish to thank all development partners who have assisted in undertaking some of our reforms and those who came to our rescue during times of need. Let me reiterate Zimbabwe's commitment to meet its obligations under the rules based multilateral trading system.

2.38. We eagerly await a time when the shadow of sanctions hovering over us is removed, and when we are fully free to interact with all the partner countries in the world without any hindrance.

2.39. On behalf of Government, let me call upon all WTO members to take a strong position against these trade-distorting sanctions which have denied Zimbabwe the ability to more meaningfully participate in the world trading system.

2.40. With these few remarks, allow me once again to thank you very much for participating at our Trade Policy Review and for your invaluable support. I thank you.

3 STATEMENT BY THE DISCUSSANT

3.1. The Chair of the TPRB, Ambassador Aspelund; Deputy Minister of Foreign Affairs and International Trade of Zimbabwe and his delegation; Ambassador Taonga Mushayvanhu and his team; distinguished colleagues; it is an honour and privilege to share my remarks as a discussant for the Trade Policy Review of our sister country and neighbour, Zimbabwe.

3.2. Zimbabwe's Trade Policy review is taking place at a time when the implications of COVID-19 are still being assessed. What is clear is that COVID-19 is an unprecedented crisis of our time that is affecting productive capacity, international trade and its implications on small and vulnerable economies are going to be severe. The structural economic challenges facing many developing countries make it difficult to implement economic recovery plans to respond to the crises and set their economies on a sustainable development path. While this review precedes COVID-19, COVID-19 has exposed the vulnerabilities of many economies, including Zimbabwe.

3.3. Surveillance of national trade policies is a fundamentally important activity for the work of the WTO. At the centre of this work is the Trade Policy Review Mechanism (TPRM) which continues to be one of the important functions of the WTO. Zimbabwe has been reviewed three times by the Trade Policy Review Mechanism: in 1994, 2011 and 2020.

3.4. Zimbabwe has a long history as a trading nation, dating back as stated in the Secretariat report to the Monomotapa Empire and Great Zimbabwe and is an original WTO Member, having been a GATT contracting party. This demonstrates Zimbabwe's commitment to international trade.

3.5. The Zimbabwean economy is mainly dependent on the primary sector. Exports of agricultural commodities and minerals account for nearly 90% of total merchandise exports. Agriculture, mining and tourism are the main pillars of the economy and Zimbabwe has succeeded in developing strong export industries in each of these sectors. However, this emphasizes the importance of industrialization and diversification which remains one of the key priorities for Zimbabwe.

3.6. The Secretariat report shows that manufacturing has been in decline since the last TPR, but we note that Zimbabwe retains a relatively large and diversified manufacturing base. Services contribute about 66% to GDP, led by wholesale and retail trade, education services, and tourism. Zimbabwe, however, is a net importer of services, although the deficit has narrowed due to a decline in services imports. Remittances accounted for 8% of GDP in 2018 and play an important role in supporting people and sustaining the economy.

3.7. Key reforms have been implemented by the Government of Zimbabwe, including the launch of the Transitional Stabilization Programme to restore macroeconomic stability and address structural issues. It comprises an agenda to reduce the fiscal deficit; currency reform; reform of the public service and public procurement; reform of SoEs and parastatals. In addition, a long-term strategic vision of transforming the country has been set through the 2030 Vision titled "Towards a Prosperous and Empowered Upper Middle-Income Society". This vision recognizes the essential role of both domestic and foreign investment in advancing socio-economic development, industrialization and to put the country on a sustainable development path.

3.8. In terms of trade policy, Zimbabwe grants MFN treatment to all its trading partners, including those that are not WTO Members. The simple average applied MFN tariff increased from 15.4% in 2011 to 15.8% in 2019. A quarter of all tariff lines are bound at the WTO.

3.9. In the period under review, merchandise exports recovered by 21.2% and reached USD 4 billion in 2018. Zimbabwe's export performance closely mirrors the cyclical developments in the mining sector, which staged a recovery following a sharp downturn in 2013-15. Manufacturing exports dropped from USD 740 million in 2011 to USD 470 million in 2018, on the account of liquidity constraints and the high cost of imported raw materials, and power shortages. Tobacco is the number one agricultural commodity for Zimbabwe accounting for 21% of total exports in 2018, followed by cotton.

3.10. Merchandise imports declined sharply between from USD 8.6 billion in 2011 to USD 6.3 billion in 2018, owing to among others the slowdown in economic growth, as well as foreign currency measures.

3.11. The Government has implemented a number of interventions aimed at promoting growth. This includes the new National Trade Policy, the National Industrial Development Policy and the National Export Strategy. The new Trade Policy recognizes that Zimbabwe's past strategy has largely been inward-looking, and that the country's trade potential has not been fully tapped to enable it to meaningfully gain from trade. It specifically recognizes trade as an engine for economic growth and development.

3.12. The strategic goal of the Trade policy according to the Government's report is to facilitate the growth of national exports of goods and services by at least 10% annually from USD 4.5 billion in 2018 to USD 14 billion by 2030 in support of its industrialization objectives. In order to unlock growth, the National Industrial Policy aims to address the structural impediments by prioritizing infrastructure development, value chain development and renewable energy. It advocates for an industrial development path anchored on innovation, investment, export growth and the fourth industrial revolution.

3.13. Regional economic integration has been one of the central pillars of the economy, starting with the membership of SADC and COMESA. In the period under review, Zimbabwe has participated in the negotiations of the African Continental Free Trade Agreement, and the Tripartite FTA between COMESA–EAC–SADC. The Tripartite FTA has established a web-based facility which allows stakeholders to report and monitor trade barriers that are implemented by the Members. In this regard, Zimbabwe has resolved over 70 trade issues and trade concerns that have been raised by the traders.

3.14. It has also, since 2011, implemented the Interim Economic Partnership Agreement between the EU and the Eastern and Southern Africa group. At the time of the review, Zimbabwe together with other ESA Signatory states were engaged in negotiations with the European Union on deepening the iEPA with a view to conclude a full and comprehensive EPA which goes beyond trade in goods.

3.15. As a founding Member of the WTO, Zimbabwe ratified the WTO Agreement on 5 March 1995. The Secretariat report, however, states that the WTO Agreement has not been domesticated into law through the passing of enabling legislation.

3.16. Zimbabwe while a land-locked country is strategically located and has a critical role to play in the facilitation of intra-Africa trade with the Beitbridge border post one of the key and busiest for goods in transit in the African continent. Zimbabwe has ratified the WTO Trade Facilitation Agreement (TFA) in October 2018 and has notified all its commitments to the WTO, as well as its technical assistance needs for category C measures. A national trade facilitation committee (NTFC) in line with the TFA has been established. Some questions raised by Members relate to the functioning of this Committee and the progress made in the implementation of the TFA obligations.

3.17. In relation to transparency and notification obligations, the Secretariat report states that Zimbabwe has made 52 notifications to the WTO during the 2012-19 period.

3.18. In relation to intellectual property rights, the National Intellectual Property Policy and Implementation Strategy (2018-22) was launched in 2018 and it seeks to promote IPRs for economic growth and development, technology, innovation, among others. It focuses on agriculture, health, industry, small and medium-sized enterprises, as well as educational, training and professional skills development.

3.19. Of key importance in the context of COVID-19, Zimbabwe is yet to accept the Protocol Amending the TRIPS Agreement, following the 2001 Declaration on the TRIPS Agreement and Public Health. I'm sure all Members welcome the announcement by the Minister today that Zimbabwe plans to finalize its certification processes soon.

3.20. In terms of challenges, Zimbabwe is facing structural challenges in its attempt to stabilize the economy, promote socio economic transformation and restructuring. This includes chronic foreign exchange shortages, which have necessitated the introduction of a priority list for imports and other foreign currency payments, including the introduction of a mandatory foreign exchange surrender for exporters. As a result of the trade and foreign exchange restrictions, its ratio of trade in goods and services to GDP has dropped from 89.5% in 2011 to about 50% in 2017.

3.21. Concerns raised by Members include the implementation of trade measures under various statutory instruments, such as the non-automatic import licensing regime, the export licensing regime, quantitative restrictions, TBT, as well as some SPS requirements for agricultural products. It also includes MFN rates that exceed bound rates in some products and the implementation of a surtax levied at the general rate of 25% on imports identified by Members as key impediments to trade.

3.22. In conclusion, Zimbabwe continues to actively participate in the Doha Development Round negotiations and global trade. However, the over-reliance on commodities leaves Zimbabwe vulnerable to exogenous factors and global shocks. A number of reforms are being implemented aimed at maintaining an open economy, promote trade and investment. This includes the repealing of the indigenization legislation. The process of structural change is central to the enhancement of the standards of living, reduction of poverty, inclusive growth and sustainable development. The reforms implemented by the Government can be an effective driver of growth both in the short and long run. Members are following the implementation of these reforms with keen interest.

3.23. I therefore wish Members fruitful deliberations in this review and I hope my Opening Remarks have provided a good basis upon which to engage. I thank you.

4 STATEMENTS BY MEMBERS

UNITED KINGDOM

4.1. On behalf of the UK Government, I am pleased to add my warm welcome to the delegation of Zimbabwe, led by the honourable Dr. David Musabayana, Deputy Minister of Foreign Affairs and International Trade.

4.2. First, the United Kingdom would like to thank Zimbabwe for its timely responses to the written questions submitted in anticipation of this meeting of the Trade Policy Review Body.

4.3. The UK is committed to supporting a more prosperous, peaceful and democratic Zimbabwe, a country with significant economic potential and high human capital. We welcomed the Government of Zimbabwe's commitment to economic and political reforms and hope to see more trade and investment with Zimbabwe in the future. We believe there is notable potential in the renewable energy, agriculture and financial services sectors, sectors with the potential to improve livelihoods and financial inclusion.

4.4. Whilst we recognise the challenges caused by external shocks such as Cyclone Idai and Covid-19, we continue to be deeply concerned by the lack of fundamental reforms. This is leading to the economic crisis that most Zimbabweans are facing today. Inflation has continued rising, with the year on year inflation rate for the month of July 2020 standing at 838%. Extreme poverty has increased and humanitarian needs are rising.

4.5. With these challenges in mind the UK, as Zimbabwe's second largest bilateral development partner, is providing £74m this year of bilateral development assistance to support Zimbabwe's people, focusing on poverty reduction, humanitarian assistance, standing up for human rights and the rule of law. The UK rapidly reprogrammed £21.24m to respond to the outbreak of COVID-19 to ensure vital health services can continue.

4.6. Meaningful progress on reforms, along with respect for human rights and the rule of law, are the only way to sustainably deal with Zimbabwe's underlying challenges, unlock significant investment and bring about a better future for Zimbabwe's people.

4.7. As noted in the reports prepared for this Review, corruption continues to hamper Zimbabwe's development by capturing public and private resources, distorting economic decision making and undermining governance and accountability. We continue to urge Zimbabwe to guarantee the independence of the Anti-Corruption Commission and the courts and to take the necessary steps to address corruption, and tackle entrenched vested interests and illicit financial flows. Within the mining sector, signing up to the Extractive Industries Transparency Initiative, restarting efforts to digitise mining licenses and ensuring compliance with environmental impact assessment requirements, would go some way to restoring the confidence of international investors.

4.8. We welcome the Zimbabwe Government's commitments to resolving outstanding land issues. We encourage Zimbabwe to take credible steps to ensure the viability and security of tenure in the 99-year leases, stop further farm invasions, ensure continued progress on compensation and guarantee respect for court decisions on property rights disputes. Taking these actions on land is critical to unlocking international investment into the agriculture sector in Zimbabwe.

4.9. The UK also notes the move towards a fully market-based exchange rate in Zimbabwe. We hope that this can help remove exchange rate distortions that enable rent-seeking behaviour in the economy and create barriers to international investors repatriating their returns on investment. It is also crucial that Zimbabwe guarantees transparency and fairness in addressing and resolving all legacy debts resulting from the previous exchange policy.

4.10. The UK is committed to supporting Zimbabwe's response to the ongoing energy deficit, including through protecting the poor from climate shocks. Renewable energy is central to climate mitigation and adaptation, and as we approach COP26, the UK urges Zimbabwe to remove barriers to the smooth importation of renewable energy equipment and continue efforts to improve the enabling environment in the distributed power sector.

4.11. Zimbabwe is an important trade partner for the UK. Total trade between our two countries was £285 million in the four quarters to the end of Q1 2020, and the UK was Zimbabwe's 19th largest export market. The Economic Partnership Agreement (EPA) between the UK and the Eastern and Southern Africa (ESA) States signed by Zimbabwe in January 2019 will enable duty-free and quota-free access on goods from Zimbabwe into the UK. We understand the Agreement is awaiting completion of the domestication processes. We hope Zimbabwe will complete the necessary processes as soon as possible to ensure that Zimbabwean exports to the UK will not face new or higher tariffs, which would disrupt the horticultural sector in particular. This EPA will establish the long-term basis of trade arrangements between our two countries and provide the certainty our businesses seek.

4.12. Mr. Chairman, the UK's connections to Zimbabwe are strong, based on shared history and economic ties, including an estimated 20,000 British Nationals living in Zimbabwe and a Zimbabwe diaspora of over 112,000 living in the UK. We remain committed to supporting the people of Zimbabwe and extend our best wishes to Minister Musabayana and his team for a successful Trade Policy Review.

EUROPEAN UNION

4.13. On behalf of the EU, I would first like to welcome the delegation of Zimbabwe led by Hon. Dr. David Musabayana, Deputy Minister of Foreign Affairs and International Trade. I would also like to thank the WTO Secretariat and the Government of Zimbabwe for their reports and the discussant, H.E. Ms. Xolelwa Mlumbi-Peter, Ambassador of South Africa, for her views.

4.14. The original planned date for this TPR in March was postponed due to the COVID-19 pandemic, which continues to impact citizens across the world and all sectors of the economy and trade due to closure of borders, suspension of flights and the disruption of demand and supply value chains, and Zimbabwe is no exception.

4.15. Trade is an important component of the EU–Zimbabwe bilateral relationship. In 2018, Zimbabwe's exports to the European Union were EUR 455 million and imports from the EU were EUR 232 million, giving a trade balance of EUR 223 million in favour of Zimbabwe. There is potential to increase the volume of trade further as the current trade with the EU is only 5% of total trade.

4.16. There have been some significant developments in the trade relations between Zimbabwe and the EU since the last TPR, notably the ratification by Zimbabwe of the Economic Partnership Agreement (EPA) in 2012. While the EU continued to give 100% access to the EU market to goods originating from Zimbabwe on a duty-free quota-free basis, Zimbabwe committed to start a gradual process of liberalising tariffs for EU goods and is expected to have fully liberalised 80% of its trade with the EU by 2022.

4.17. After 8 years of implementing the trade agreement with the EU, Zimbabwe and its Eastern and Southern Africa partners¹, have begun negotiations aimed at deepening the scope of the EU-ESA EPA by including chapters on services and investment, sustainable development, technical barriers to trade and rules of origin. We commend Zimbabwe for its positive and constructive role in the negotiations.

4.18. I would also like to congratulate Zimbabwe on the signing and ratification of the WTO Trade Facilitation Agreement in 2018 and notifying Categories A, B and C commitments. Another important development is the ratification by Zimbabwe of the African Continental Free Trade Area (AfCFTA) in 2019, which is an ambitious flagship project of the African Union aimed at creating the biggest free trade area on the planet in terms of participating countries. The EU stands ready to support Zimbabwe, the African Union and all the other member states in this process.

4.19. The EU–Zimbabwe development cooperation relationship has improved since the last review. The lifting of appropriate measures in 2014 paved the way for Zimbabwe to receive development assistance from the EU amounting to EUR 287 million financed through the 11th European

¹ ESA5: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe.

Development Fund (EDF), targeting mainly health, agriculture-based economic development and governance/institutional building.

4.20. At the time of the last review in 2011, economic reforms and sound macroeconomic policies lead to economic stability and growth. However, since 2013 persistent structural challenges have led to a relatively moderate GDP growth. In 2019, Zimbabwe experienced a serious economic and humanitarian crisis and the economy is said to have shrunk by 7.2% (IMF). The economy is forecast to shrink further by 7.4% in 2020. The shortage of electricity, fuel and foreign currency have resulted in a massive decrease in industrial production and climate shocks (including the devastating impact of cyclone Idai) have dampened agriculture production.

4.21. A number of policy inconsistencies, absence of substantial progress on planned reforms and high level of corruption have prevented Zimbabwe from regaining the confidence of its citizens and international community. A direct consequence was the discontinuation of the IMF staff monitored programme in early 2020. It is essential that the government continues to pursue its stated reform agenda both to stabilize and to reinvigorate the economy and improve governance.

4.22. The EU welcomes the stated intentions of the current government to rebuild confidence by restoring private property rights, ensuring macroeconomic stability and growth, achieving fiscal consolidation, clearing external debt arrears, and improving governance and the business environment. These priorities are well reflected in the Transitional Stabilisation Programme (December 2018 - December 2020), which will be succeeded by five-year Development Plan (2021-2025) and hopefully will follow up and consolidate the reforms initiated under the TSP.

4.23. EU believes that with Zimbabwe's massive resources of abundant land and natural resources, educated and skilled human capital base, and existing physical infrastructure, Zimbabwe has great potential to regain its position as one of the leading economies in Southern Africa. We wish the delegation of Zimbabwe a very successful TPR.

UNITED STATES

4.24. The United States is pleased to welcome Deputy Minister David Musabayana and the other members of the delegation to the Trade Policy Review of Zimbabwe. We welcome the Secretariat and Government reports and appreciate the opportunity to gain a clearer sense of the changes to Zimbabwe's trade and investment policies since its last review in 2011.

4.25. As was the case in 2011, Zimbabwe has significant economic potential. The country has abundant natural resources, an educated workforce, dynamic young entrepreneurs, internationally recognized tourist attractions, extensive wildlife, and a strong agricultural base. Both reports for this TPR highlight the reforms underway in Zimbabwe since 2011 as it seeks to leverage trade as a means to stimulate greater economic growth and development. We support these undertakings with the expectation that they advance a free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment, without creating additional barriers.

4.26. However, numerous obstacles undermine Zimbabwe's efforts to increase trade and harness its benefits, thereby impeding the country's sustainable development. Land and property ownership rights remain unclear in Zimbabwe. The country's physical infrastructure, once one of the best on the continent, remains operable but has deteriorated significantly over the last two decades due to lack of investment. There has also been a large and continued contraction in employment in the formal economy. These obstacles are also a main reason why Zimbabwe has struggled to attract FDI during the past two decades.

4.27. While Zimbabwe has made some improvements, we agree with the Secretariat report that there is significant scope for Zimbabwe to implement broader economic reforms and improve the business environment. Underscoring this need, the World Bank's 2019 Doing Business rankings placed Zimbabwe 140 out of 190 countries. In May 2019, Zimbabwe began an IMF Staff-Monitored Program to support the implementation of an ambitious economic reform agenda, which we viewed as a positive development. However, by February 2020, the IMF reported the programme was "off track". We would appreciate hearing Zimbabwe's plan on getting the programme back on track.

4.28. Zimbabwe is an original WTO Member, having been a GATT contracting party. However, Zimbabwe has not yet incorporated the WTO Agreement into domestic law by passing enabling legislation. We ask Zimbabwe during this TPR to provide a timeline for passing such legislation. It is not clear that the WTO Agreement prevails in a matter in which domestic law is not consistent with the WTO Agreement. In addition, while we commend Zimbabwe for ratifying the WTO Trade Facilitation Agreement (TFA), we ask Zimbabwe to provide further information on its plans to fulfil certain obligations.

4.29. We also seek more transparency in Zimbabwe's trade policies. For example, the Secretariat notes that as of this year, Zimbabwe has not notified the Interim European Partnership Agreement (EPA), or any underlying measures associated with the EPA to either the SPS or TBT Committees. In fact, since 1995, Zimbabwe has notified only five SPS measures. Moreover, Zimbabwe has yet to notify to the Committee on Import Licensing Procedures several procedures related to the Animal Health (Import) Regulation of 1989 and the "Grain Marketing Act". Nor has it notified pertinent legislation to the WTO Committees on Safeguards and Customs Valuation. We ask Zimbabwe to fulfil its transparency obligations and notify relevant measures and regulations in a timely manner.

4.30. The United States expresses serious concern that, according to the Secretariat report, Zimbabwe's applied MFN tariff rate exceeds the bound rate for at least 61 tariff lines, and by as much as 60 percentage points. We ask Zimbabwe to specify during this TPR when and how it will rectify this matter. The Secretariat report also notes that Zimbabwe charges a surtax of 25% on imports of numerous products; we ask Zimbabwe to confirm that this surtax is consistent with Zimbabwe's bound tariff schedule.

4.31. In addition to the issues raised here today, the United States has submitted advanced written questions in areas such as customs procedures, standards, and food safety. We look forward to receiving the Government's replies, and we will appreciate Zimbabwe's effort to address our concerns.

4.32. To conclude, as both President Trump and Ambassador Robert Lighthizer have affirmed, the United States sees great potential in strengthening its trade and economic relationship with the countries of sub-Saharan Africa. We stand ready to engage and work with Zimbabwe toward establishing a more transparent and market-oriented trade regime, consistent with its obligations.

4.33. We look forward to our dialogue with the Government, both within the WTO, as well as on a bilateral basis.

CANADA

4.34. This year will mark the 40th anniversary of the establishment of diplomatic relations between Canada and Zimbabwe – a period featuring commercial activity and investment by Canadian companies and the provision of over CAD 500 million in development assistance. The latter has included support for Zimbabwe's economic development such as the completion of a national geophysical survey still being used by the mining sector.

4.35. Canada acknowledges that Zimbabwe has much potential. It has abundant and diverse metal and mineral resources, the opportunity for renewable energy resources like solar, a strong history of agricultural production and a highly educated work force. As a result, Zimbabwe should, but has not, enjoyed steady inward flows of foreign direct investment.

4.36. This is because the Zimbabwean economy and business climate presents a significant number of persistent risks and challenges. The Global Competitiveness Index places Zimbabwe at 124 of 137 countries evaluated.

4.37. The issues cited in the report, largely echoed by Canadian companies, include political instability; safety of investments; repatriation of dividends; foreign currency surrender regime; corruption; difficulties in relying on the legal system; an uncertain private land ownership system; and, excessive bureaucracy. For example, the increase in mine invasions has been a cause for concern for Canadian investors. As well, rapidly shifting currency and foreign exchange regimes have lessened Zimbabwe's attractiveness as an investment destination. This has been compounded by an opaque and cumbersome process for the settlement of legacy debts.

4.38. However, Canada commends Zimbabwe for its promises to enact political and economic reforms in recognition of many of the challenges noted above, and in an effort to improve the overall business climate. We note the removal of indigenization requirements in early 2018 and the creation of the Zimbabwe Investment Development Agency. We urge Zimbabwe to increase the pace of reform.

4.39. With regards to the issue of corruption, we recognize the recent public commitments by the President and the steps announced to strengthen the capacity of the Zimbabwe Anti-Corruption Commission. We were also encouraged by Zimbabwe's expressed interest in the Extractive Industries Transparency Initiative or EITI. Signing on to the Initiative would be a positive step towards increasing transparency within the mining industry and an impetus to increased investment in this critical sector.

4.40. We would note the benefits of EITI have been felt by Zimbabwe's neighbours such as Zambia, which became fully compliant in 2012.

4.41. Regarding Zimbabwe's engagement here at the WTO, we note that its notifications to the WTO are not up to date in quantitative restrictions and import licensing. Its latest full subsidy notification was due yet again in 2019, but it has failed to provide such a notification since 2001. Transparency is essential to the functioning of the WTO, and we would encourage Zimbabwe to bring itself into compliance. In that regard, we would also encourage Zimbabwe to seek assistance from the Secretariat.

4.42. We note that Zimbabwe is in arrears with regard to its assessed contributions to the WTO, and we urge Zimbabwe to promptly rectify this situation.

4.43. Building on Zimbabwe's participation in the Joint Statement Initiative on Investment Facilitation, Canada also encourages Zimbabwe to consider participation in the other WTO joint statement initiatives, such as for MSMEs, as well as to support the Joint Declaration on Trade and Women's Economic Empowerment.

4.44. We submitted a number of questions touching on many of the themes just mentioned and thank Zimbabwe for its responses just received. We will review these carefully. In closing, Canada looks forward to having a constructive exchange of views on all aspects of Zimbabwe's trade policy this week.

INDONESIA

4.45. Indonesia would like to welcome and congratulate Honourable Dr. David Musabayana and all delegation of Zimbabwe for their third Trade Policy Review amidst this difficult situation. Indonesia wishes to express our appreciation to H.E. Ms. Xolelwa Mlumbi-Peter as discussant, as well as the WTO Secretariat for the detailed and comprehensive reports.

4.46. Referring to the Secretariat report, Indonesia notes that Zimbabwe is facing multi-dimension challenges such as macroeconomic imbalances, socio-politics and human development issues as well as lack of food and energy. Nevertheless, regardless challenges that Zimbabwe faced, the economy of Zimbabwe is growing well which reflect in an increase of its real GDP.

4.47. Indonesia also notes that this improvement attained as result on the adoption of measures, including the Transitional Stabilization Program start from October 2018 to the end of this year. Hence, Indonesia applaud Zimbabwe for its efforts in addressing their challenges.

4.48. On bilateral trade front, Indonesia and Zimbabwe have been engage through Economic and Technical Cooperation Agreement since 1992. We established a joint commission for bilateral cooperation in 2015 as effort to enhance our bilateral trade cooperation. Despite trade between both countries is fairly limited, total trade between the two countries continue to increase in the period of 2015–2018. This positive of trade development, however, is not in favour to Indonesia as we are facing a trade deficit during that period. In this context, we are hoping that Zimbabwe could facilitate more Indonesia's products to enter Zimbabwe's market. To deepening our understanding on Zimbabwe's trade related policies, Indonesia has submitted written questions which seeks clarification on criteria, requirements and systems governed by Zimbabwean authorities, related to:

(i) investment sector – under Zimbabwe Investment Authority (ZIA) Act; (ii) import licensing – under the Customs and Excise Act and Consignment-Based Conformity Assessment (CBCA) Program; (iii) prohibition on GMO products; and (iv) National Trade Policy interventions program. We look forward to receiving respond from delegation of Zimbabwe.

4.49. For that purpose, I wish to highlight three issues of concern that need to be taking into account in order to enhance trade relations between Indonesia and Zimbabwe.

4.50. First, on Zimbabwe Investment Authority. Even though foreign companies are at liberty to expand business in Zimbabwe, several sectors are still closed to foreign investment and reserved exclusively for domestic investors.

4.51. Second, on the CBCA Program. Differences requirements and assessments for regular and well-known imported brands, where the well-known imported brands could skip the sample testing procedures.

4.52. And third, on the GMO products. The complexity of fee schedule for verification and inspection which quite high and not cover laboratory testing, sealing of containers, or registration and licensing of products.

4.53. To conclude, Indonesia would like to reiterate that trade between both countries has a huge potential. Therefore, we are hoping that trade cooperation between Indonesia and Zimbabwe continue to improve and become a mutual trade relationship. Indonesia wishes Zimbabwe a successful Trade Policy Review.

CHINA

4.54. Let me begin with a warm welcome to the delegation of Zimbabwe led by Dr. David Musabayana, and thankfulness to their great efforts for the preparation for this review. I would also like to express my appreciation to the Secretariat and the discussant, Ambassador of South Africa for their contribution to this review.

4.55. In the review period, Zimbabwe was severely hit by Cyclone Idai in 2019. However, we are highly encouraged by the great efforts of Zimbabwe to fight against the destruction of such disaster and pleased to see that Zimbabwe's society and economy is recovering. We commend the reform implemented by the new Government of Zimbabwe on economy and believe that with the concerted efforts of the government and people, Zimbabwe will further boost its economy and achieve the balance and efficiency of development.

4.56. Zimbabwe is an original WTO Member, and adopted TFA in 2018. In the review period, Zimbabwe has participated in several trade negotiations, and has concluded new preferential trade agreements. China commends Zimbabwe 's contribution to regional integration. However, as the Secretariat's report indicated, Zimbabwe's tariff rates on 61 lines exceed their bound levels. It would be appreciated if Zimbabwe could share that whether and how it plans to bring the tariffs on these lines into conformity with its WTO commitments.

4.57. China and Zimbabwe enjoy fruitful bilateral relationship. Recent years have seen continuous growth in bilateral trade and investment between China and Zimbabwe. According to China's statistics, the two-side trade in goods amounted to US\$1.34 billion, which was an increase of 0.58% from 2018 to 2019. The total amount of China's investment into Zimbabwe reached USD 1.89 billion by the year of 2018, and the investment flow from China to Zimbabwe reached USD 43.8 million in 2019.

4.58. Not only in trade, China also try its best to make contributions to the process of industrialization and modernization of Zimbabwe including human resource training and establishment of manufactories and provide assistance on social development such as building hospitals and schools. Zimbabwe is also one of the signatories of Belt and Road Initiative which will provide more broad and in-depth cooperation between China and Zimbabwe in social and economic development. We are confident that the business and people-to-people links between our two countries will be further strengthened.

4.59. To conclude, we wish the delegation of Zimbabwe a full success review.

THAILAND

4.60. Thailand is pleased to participate in the third Trade Policy Review of Zimbabwe and warmly welcome the Zimbabwean delegation, headed by Hon. Dr. David Musabayana, Deputy Minister of Foreign Affairs and International Trade.

4.61. We thank you Chair, the Secretariat and the discussant, Ambassador Xolelwa Mlumbi-Peter of South Africa, for their in-depth perspectives. We also thank Zimbabwe for its Government report and remarks.

4.62. Trade between Thailand and Zimbabwe is an important component of our economic relations, amounting to USD 12 million last year. Although the bilateral trade is still relatively small, there is trade potential that can be explored. For exports from Thailand, such potential may exist in rubber and articles, rice, motor vehicles, chemical products, and machinery. While nuts, cotton, handbags, and leather can be considered potential exports from Zimbabwe.

4.63. Thailand welcomes various reforms implemented by the new Government aiming at strengthening its economy in a sustainable way. For example, the elimination of the 49% foreign ownership cap for most sectors and the removal of the restrictions in the diamond and platinum sectors. We would encourage Zimbabwe to continue its efforts for a clearer and more stable business environment.

4.64. Thailand commends Zimbabwe for showing commitment to the rules-based multilateral trading system, including by ratifying the Trade Facilitation Agreement and providing updated WTO notifications during the review period. We hope that Zimbabwe will continue to bring its notifications up to date to enhance transparency and predictability.

4.65. According to the Secretariat report, Zimbabwe has enforced a number of non-tariff measures over recent years, including non-automatic licensing, quantitative restrictions, SPS requirements for agricultural products, and pre-shipment conformity assessment program. Thailand urges Zimbabwe to review these measures with a view to facilitating trade and raising the competitiveness of industries that rely on imported capital goods and inputs.

4.66. In addition, we note from the Secretariat report that Zimbabwe's MFN tariff rates on 61 lines exceed the corresponding bound levels, in some cases by as much as 60 percentage points. We are interested to seek clarification from Zimbabwe in this regard.

4.67. In this review, Thailand submitted a set of questions, covering the policies and measures of our interests. We thank Zimbabwe in advance for written responses.

4.68. In conclusion, we wish Zimbabwe a successful third Trade Policy Review.

ICELAND

4.69. Iceland welcome Hon. Dr. David Musabayana and the distinguished delegation of Zimbabwe to their third Trade Policy Review. We express appreciation to the WTO Secretariat, as well as to Zimbabwe, for the reports prepared for this trade policy review, as well as the discussant, H.E. Ms Xolelwa Mlumbi-Peter -PETER of South Africa for her excellent framing of the issues for our discussion today.

4.70. In the last years, Zimbabwe has been facing various difficult challenges related to the economy, as well as natural disasters and climate change. Iceland welcomes initiatives that Zimbabwe has undertaken for socio-political and economic transformation and setting a long-term strategic vision of transforming the country by 2030.

4.71. As the impact of the COVID-19 pandemic are still unfolding, new challenges arise related to trade and trade-related activities. It is now widely recognised that women are likely to be harder hit than men by trade disruptions caused by the COVID-19 pandemic.

4.72. In 2017 more than 118 WTO Members launched a Joint Declaration on Women and Economic Empowerment that aims at sharing best practices and working together here at the WTO to remove barriers for women's economic empowerment and increase their participation in trade.

4.73. The trade policy review provides an excellent opportunity to share best practices of respective experiences relating to policies and programs to encourage women's participation in national and international trade and thus promoting sustainable socioeconomic development.

4.74. Iceland submitted advance written questions on the participation of women in the economy of Zimbabwe. The answers will be useful as we gather best practices.

4.75. Iceland appreciates Zimbabwe's active engagement in WTO and their continued support for the multilateral trading system. We wish the delegation of Zimbabwe every success for their third Trade Policy Review.

INDIA

4.76. My delegation is pleased to participate in the third Trade Policy Review of Zimbabwe. My greetings to the Zimbabwean Head of Delegation, Dr. David Musabayana, Deputy Minister of Foreign Affairs and International Trade and H.E. Ambassador of Zimbabwe and his entire team here in Geneva for the TPR. We thank Dr. David Musabayana for his comprehensive opening statement, H.E. Ambassador Xolelwa Mlumbi-Peter of South Africa for her insightful observations as discussant, and the Secretariat and the Government of Zimbabwe for the reports prepared for the review.

4.77. India and Zimbabwe have a long history of close and cordial relations dating back centuries. India has been a partner in the development of Zimbabwe in the sectors of telecommunications, power, transport and tourism. We have been engaged in the Human Resource Development and capacity building efforts in Zimbabwe. There are also strong linkages and partnership between Indian premier educational institutions and Universities with their counterparts in Zimbabwe. These linkages and engagements continue to grow. Zimbabwe is also an important partner and focus country in India's India-Africa Forum initiative, a mechanism through which India undertakes development cooperation in Africa through Lines of Credit, scholarships, training and technical cooperation.

4.78. The bilateral trade between India and Zimbabwe was estimated at US\$170 million in 2019. After reaching a peak of USD 223 million in 2015-16, the bilateral trade has declined in the past few years to reach the current levels of USD 170 million. This is a matter of concern and we understand similar trends have been witnessed with Zimbabwe's trade with other major trading partners as well. We understand that the foreign exchange scarcity had constrained the importers in Zimbabwe in meeting their payment obligations, which acted as a dampener on trade. Much of Zimbabwe's trade is in essential commodities, including food and medicines. Therefore, disruptions in trade due to the Forex situation also impacts the poor and vulnerable disproportionately. We also note with satisfaction that after the introduction of the Forex Auction System earlier this year, the situation has become better, leading to an improvement in both the availability of Forex for traders and stability in the Forex market. We appreciate the efforts of the Government of Zimbabwe in this regard. Given that trade is an engine of economic growth, we are hopeful, with these measures the trend of the past few years gets reversed and a rebound in Zimbabwe's trade with other countries including India will contribute to the economic resilience of Zimbabwe's economy.

4.79. In the last TPR, India had expressed concern regarding Zimbabwe's Indigenisation and Economic Empowerment Act of 2010 that had put limitations on foreign businesses. Many foreign investments, including from India had been affected by that regulation and we had requested for a reconsideration of that decision, in the interest of promoting foreign investment in future. We are happy to note that Government of Zimbabwe has repealed this legislation which has now eliminated those unwarranted restrictions on foreign businesses.

4.80. Similarly, we had also raised the issue of the difficulties being faced in the areas of movement of businesspersons and professionals and had sought easing of restrictions on issue of visa and work permits for businessmen and professionals. We are happy to note that, beginning with 2018, those restrictions have been considerably relaxed, and we have received positive feedback from our businesses on the new measures. I would like to compliment the Government of Zimbabwe for

addressing these two concerns through the desired policy changes. Finally, we take this opportunity to raise our concern regarding certain non-tariff barriers being faced by Indian agricultural exports, particularly, wheat. We request the Government of Zimbabwe to address this concern in a way that is satisfactory for both sides and allow bilateral trade in these goods to thrive once again.

4.81. Before I conclude, I wish to highlight the vast potential for further strengthening the trade and investment ties between India and Zimbabwe, given the natural affinities we share. India remains committed to expanding its economic, business and development assistance engagements with Zimbabwe and would remain actively engaged with the Government of Zimbabwe, to pursue our shared economic and social welfare goals. We wish our Zimbabwean friends a productive and successful TPR.

SINGAPORE

4.82. The Singapore delegation welcomes Deputy Minister of Foreign Affairs and International Trade Dr David Musabayana, and the Zimbabwean delegation, who are participating virtually from Harare. We thank Zimbabwe for its Government report and statement. We also thank the TPRB Chair, the Secretariat, and the discussant, Ambassador Xolelwa Mlumbi-Peter, for their insightful perspectives.

4.83. At the outset, Singapore applauds Zimbabwe for conducting its TPR via "hybrid" format, which is a first for a developing Member. The monitoring function is a critical pillar of the WTO, and the conduct of this "hybrid" TPR marks another significant step in the resumption of the WTO's activities. Now, allow me to make three points.

4.84. First, bilateral economic ties between Zimbabwe and Singapore continue to grow. According to the World Bank's World Integrated Trade Solutions, Singapore was Zimbabwe's second largest import destination in 2018, accounting for 21.7% (USD 1.4 million) of Zimbabwe's total imports. Total bilateral trade between Singapore and Zimbabwe also registered a 10-year compounded annual growth rate of 1.5% since 2009, reaching SGD 23.3 million in 2019. Top exports from Singapore to Zimbabwe include proximity cards, polyethylene and business management services, while top imports into Singapore from Zimbabwe include leather goods, transport and telecommunications services. We look forward to growing our bilateral economic relations and identifying new areas of cooperation.

4.85. Second, we are heartened to note that Zimbabwe has been implementing important reforms to open up the country for business, through a long-term strategic vision to transform Zimbabwe into an Upper-Middle-Income Society by 2030. In particular, we commend Zimbabwe for its efforts to modernise its government procurement regime and streamline its business procedures. These measures have borne fruit as evidenced by Zimbabwe moving up 15 places in the World Bank's 2019 Ease of Doing Business Index. Singapore also welcomes Zimbabwe's steps to strengthen regional economic integration, including by joining the African Continental Free Trade Area Agreement which will facilitate the movement of goods and services across the continent. Such initiatives would deepen regional integration and facilitate the development of its members.

4.86. Third, we encourage Zimbabwe to continue to intensify its engagement with the WTO. We welcome its ratification of the Trade Facilitation Agreement (TFA) and note that it has notified all its TFA commitments to the WTO. We hope that Zimbabwe will continue its efforts to translate WTO Agreements into national laws. In particular, Zimbabwe could consider becoming a party to the Protocol amending the Agreement on Trade-Related Aspects of Intellectual Property Rights, which could facilitate Zimbabwe's access to affordable generic medicines produced in other countries, as well as the Information Technology Agreement, which would enable Zimbabwe to boost trade, innovation and digital connectivity and take advantage of digital transformation. We note that Zimbabwe's simple average applied MFN tariff increased from 15.4% at the time of its last Review in 2011 to 15.8% in 2019. Only a quarter of all tariff lines are bound, and the applied rates exceed the corresponding bound levels on 61 tariff lines, in some cases by as much as 60 percentage points. We urge Zimbabwe to abide by its WTO commitments and take steps to rectify this situation as soon as possible. We also encourage Zimbabwe to avail itself of technical assistance to fulfil its outstanding notifications.

4.87. In conclusion, Singapore looks forward to strengthening bilateral economic engagement as well as deepening regional and global collaboration with Zimbabwe, particularly at the WTO. We wish Zimbabwe every success for this TPR.

JAMAICA ON BEHALF OF THE ACP GROUP

4.88. On behalf of the ACP Group, Jamaica welcomes the distinguished delegation of Zimbabwe led by the Honourable Dr. David Musabayana to this Third Trade Policy Review and congratulates Zimbabwe on the positive report presented. This, together with the report from the WTO Secretariat, has provided a very good foundation for our discussions.

4.89. The ACP Group also thanks you, Chair, for your usual able guidance of these meetings and in addition, takes this opportunity to convey its appreciation to Ambassador Mlumbi-Peter of South Africa for her valuable and insightful comments as discussant.

4.90. The ACP Group notes positively, from the reports that, since its last Trade Policy Review in 2011, Zimbabwe has been undertaking active measures to rebound from an extended recession, and to stimulate economic growth and recovery at the domestic level. This follows a series of endogenous and exogenous shocks, including Cyclone Idai and other climate-related events, which resulted in low economic growth rates in the country between 2015 and 2018 and negative growth of -6.5% in 2019, accompanied by rising levels of inflation, unemployment and debt.

4.91. Like most other ACP States, agriculture is the main pillar of Zimbabwe's economy, with exports of agricultural commodities and minerals (led by gold, nickel, and tobacco) accounting for nearly 90% of total merchandise exports. Of note, however, the services sector, led by wholesale and retail trade, education services, and tourism, has been strengthening in recent years and contributes approximately 66% of the country's Gross Domestic Product (GDP).

4.92. The ACP Group commends Zimbabwe on its long-term national Development Plan and Strategic Vision which, we note, is aimed at transforming the country to an upper-middle-income society by 2030 and is underpinned by the five strategic pillars of governance; macro-economic stability and financial re-engagement; inclusive growth; infrastructure and utilities development; and social development. We note positively that the Strategy is complemented by the Transitional Stabilisation Programme (TSP), which has been under implementation by the Government since October 2018, and is geared towards the stabilisation of foreign exchange and key macro-economic indicators, as well as promoting higher levels of foreign investment and economic growth over the medium- to long-term.

4.93. The current COVID-19 pandemic has served to underscore the value of intensified multilateral action, including within the WTO, in advancing the growth and development objectives of developing and least-developed countries. In this regard, the ACP Group acknowledges the longstanding commitment of Zimbabwe to the multilateral trading system, including the WTO and to strengthening its participation and integration in the global economy.

4.94. As a landlocked country, Zimbabwe has continued to show tremendous resilience in the face of myriad challenges and has signalled its commitment to prioritizing both domestic and foreign investment, including through technology transfers, as well as stimulating the country's productive capacities across all sectors. These are intended to bolster ongoing efforts to further advance the country's development trajectory and the successful attainment of the UN Sustainable Development Goals. We further note the measures being pursued by the Government to build-up its foreign exchange reserves as the country's trade balance improves and to improve the export competitiveness of its domestic products.

4.95. Further, the ACP Group welcomes the progress reported by Zimbabwe in facilitating the ease of doing business in the country by addressing regulatory bottlenecks and streamlining bureaucratic processes. These include the establishment of the One Stop Investment Services Centre and subsequently the Zimbabwe Investment Development Agency (ZIDA) in 2020, the introduction of a new Companies Act, as well as enabling legislation for the creation of Special Economic Zones (SEZs). We encourage Zimbabwe to further strengthen measures in this regard.

4.96. In conclusion, the ACP Group wishes to commend Zimbabwe for its constructive engagement throughout this process and extends best wishes for a successful review.

MAURITIUS

4.97. Let me start by warmly welcoming and congratulating the delegation of Zimbabwe, led by Dr. David Musabayana, and Ambassador J. Manzou and their team, for being at this third Trade Policy Review. Thank you also to the Secretariat for their very interesting report and, of course, to our discussant, Ambassador Xolelwa Mlumbi-Peter for bringing a sisterly perspective from South Africa on how the region can grow and how we see Zimbabwe, as well, as part of the region.

4.98. Despite all its constraints, Zimbabwe followed through on the procedures and the process to have this third Trade Policy Review, which goes to show its commitment towards a rules-based multilateral trading system, and I think we need to commend them for that.

4.99. I would also like to commend Zimbabwe for implementing a number of key reforms to open up the economy and to improve the business climate in the country. I particularly want to note the Transitional Stabilization Program and the Staff-Monitored Program that cater for the most vulnerable. I think it goes to reflect what a caring Government can be like.

4.100. At the level of the WTO, of course there is always more that can be done. But I would like to commend Zimbabwe, not only for trade facilitation, but for all the steps that the country has been taking to strengthen its intellectual property right protection regime. We hope that the reforms will include all the flexibilities included in the TRIPs Agreement, as well as the protocol amending TRIPs Agreement regarding special compulsory licences.

4.101. When we think of Zimbabwe in Mauritius, we think of the Mwenemutapa Empire, and when we look at our trade with Zimbabwe, we export to Zimbabwe a quarter of what we import from Zimbabwe. Principal in that is cotton and, interestingly, works of art.

4.102. We look forward to greater trade with Zimbabwe in the region. We note Zimbabwe has always been a champion of free trade, and I know that Section 64 of the Constitution of Zimbabwe actually provides for that free trade. We look forward to Zimbabwe taking the necessary measures in eliminating tariffs and removing surpluses to allow greater trade in the region, so that, together, Zimbabwe and Mauritius and other countries in the region can successfully implement the African Continental free trade area in due course.

4.103. This being said, I just want to congratulate Zimbabwe again for all the efforts that it is making. We note things have not been easy. Both Cyclone Idai and COVID have not made it easy for Zimbabwe to take the steps as fast as it would like to, but we know that it is back on track to being the great Zimbabwe again.

EGYPT

4.104. Egypt associates itself with the statement to be delivered by Her Excellency Ambassador of Botswana on behalf of the African Group and joins others in extending a very warm welcome to Honorable Dr. David Musabayana Deputy Minister of Foreign Affairs and International Trade of Zimbabwe and its esteemed delegation.

4.105. We thank Zimbabwe and the WTO Secretariat for their comprehensive and detailed reports, as well as Her Excellency Ambassador Xolelwa Mlumbi-Peter of South Africa for her insightful remarks as discussant.

4.106. The Secretariat report highlights that Zimbabwe has generally managed to record promising growth trends during the period under review, despite the internal and external challenges it faced. Much of this success can be attributed to the impressive macroeconomic reforms taken by the Zimbabwean authorities.

4.107. With regards to trade, Zimbabwe succeeded in developing a strong export base in agriculture, mining and tourism sectors, which constitute the main pillars of its growing economy. In addition, it ratified the Trade Facilitation Agreement in October 2018, proving its commitment to

the Multilateral Trading System, and its efforts to continue simplifying custom procedures and requirements.

4.108. We commend the recently implemented reforms, including the elimination of the 49% foreign ownership cap for most sectors. In fact, the World Bank's 2020 Doing Business Report shows that Zimbabwe climbed 15 places compared to the 2019 report. We encourage Zimbabwe to continue its relevant reforms to enhance its business climate and attract more FDI.

4.109. On the continental level, Egypt and Zimbabwe have been closely working together among other African countries to boost regional and continental integration. In this regard, we applaud Zimbabwe's ratification of the African Continental Free Trade Area (AfCFTA) agreement in 2019, which promises to enhance trade and intensify economic integration in the continent.

4.110. Egypt and Zimbabwe share historical ties and strong relations, including on economic and commercial fronts. We wish to highlight that Bilateral trade volume witnessed steady growth trends since 2015 and gained additional impetus in the last couple of years.

4.111. We reassure Zimbabwe of Egypt's continued solidarity and cooperation to overcome the unprecedented challenges of the COVID-19 pandemic, and we genuinely look forward to continue developing our excellent bilateral relations for the mutual benefit of our countries.

4.112. Finally, Egypt praises Zimbabwe for its overall economic performance in the period under review and wishes its delegation a fruitful Trade Policy Review.

MOZAMBIQUE

4.113. We congratulate you, Chair, for chairing this important Trade Policy Review of our sister country Zimbabwe, whose delegation is led by Hon. Dr. David Musabayana, Deputy Minister of Foreign Affairs and International Trade, whom we warmly welcome.

4.114. We also thank H.E. Ambassador Xolelwa Mlumbi-Peter, Permanent Representative of South Africa, the discussant, for her insightful presentation.

4.115. We commend the WTO Secretariat particularly the Trade Policy Revision Division, as well as the Government of Zimbabwe for the hard work in the preparations of this Review exercise, and for the reports.

4.116. We align ourselves with the statement delivered by Jamaica on behalf of the ACP Group, and with the ones to be delivered by Botswana and Chad on behalf of the African and LDCs Groups.

4.117. The delegation of Mozambique feels honoured to participate in this Trade Policy Review of Republic of Zimbabwe that aims to review the progress made in trade policies, mainly in multi-sectoral reforms to advance trade and development aiming at a better participation in markets and poverty alleviation. We believe that the exercise will also help clarifying the challenges Zimbabwe faces and may encounter in the period ahead.

4.118. My delegation wishes to register its recognition of the Government of Zimbabwe our sister and neighbouring country -, SADC Member with which we share common history and culture, for its efforts in creating a favourable environment for economic development to flourish.

4.119. We note with satisfaction that the country continues in the process of reforms implementation through the report we could learn that during the past years, despite macroeconomic imbalances, certain sectors continued to grow well during 2017 and 2018, for which Zimbabwe should be praised.

4.120. Regrettably, in March 2018, Cyclone Idai hit Zimbabwe, having affected more than 25 000 people; huge economic assets and infrastructures were damaged thus, increasing the number of people in need of support in food security, and reversing the advance so far achieved in many sectors including productive, trade and trade infrastructures. In March 2020, COVID-19 emerged, bringing about unprecedented additional challenges.

4.121. These additional challenges came at a time when the impact of the longstanding economic sanctions on the country was taking their own toll. Therefore, we reiterate our appeal to the lifting of these sanctions, so as to afford Zimbabwe the chance to boost its economy through trade.

4.122. On the other hand, Zimbabwe once, one of the commodity producers and exporters in Africa has been facing the decline of international commodity prices which has led to loss of competitiveness that has not been helpful to the country's economic development.

4.123. Nevertheless and mindful of the extreme importance that economic reforms play, the Government of Zimbabwe continued to undertake various reforms, in view to addressing economic, social and structural weaknesses, in a comprehensive framework aimed at reversing the tide of economic deterioration and bring about prosperity and reduction in the level of poverty.

4.124. The report itself, showing tireless effort in successful fulfilment of 2011 recommendations, clearly reflects the efforts deployed by Zimbabwe. Furthermore, the Government should be commended for the ratification of the Trade Facilitation Agreement in 2018.

4.125. Mozambique and Zimbabwe share cooperation agreements and, the existing bilateral agreement between Mozambique and Zimbabwe allows for the duty-free trade in all goods produced or manufactured in either country, provided they meet the local content requirements specified in the pact and are not on the "negative list".

4.126. We support all country's initiatives to put in place trade laws that are compatible with the evolving trading system, and we encourage the Government of Zimbabwe to continue its efforts aimed at the diversification of the economic base, by redirecting investment, primarily to infrastructure, processing systems, agriculture, services, industry and tourism. We hold the view that Zimbabwe must be technically assisted so as to better implement the WTO's agreements.

4.127. Before concluding, we would be remiss if not using this opportunity to commend Ambassador Taonga and his Team in Geneva for their remarkable and commendable work. We wish Zimbabwe a successful Trade Policy Review.

JAPAN

4.128. Let me first extend a warm welcome to this third TPR meeting to the distinguished delegation of Zimbabwe headed by the Hon. Dr David Musabayana, Deputy Minister of Foreign Affairs and International Trade. We truly appreciate that, despite many challenges under the ongoing COVID-19 pandemic, the Zimbabwean delegation has shown great flexibility by agreeing to hold this TPR meeting via a hybrid format. This clearly demonstrates that the Zimbabwean delegation highly respects the spirit of transparency of the multilateral trading system, which builds upon the Trade Policy Review Mechanism. Also, we would like to express our sincere appreciation for the dedicated efforts made by Zimbabwe and the WTO Secretariat to prepare the insightful reports shared with the member states in advance of today's review.

4.129. Since Zimbabwe possesses both large mineral resources and human resources, Japanese enterprises historically have shown a high level of interest in business expansion to the country. Zimbabwe's socio-political and economic instability has, however, continued to affect the interests of those enterprises and the number of firms doing business in the country has been decreasing over the years as a result. In spite of the change of Government in Zimbabwe in November 2017, expected improvements in relations with the international community and major reforms have not materialized. This makes it difficult to implement Zimbabwe's key reforms planned under the Staff-Monitored Program (SMP) with the International Monetary Fund (IMF). We are very concerned about this situation and look forward to seeing progress made in the near future.

4.130. In addition, we acknowledge that improvement of the domestic situation is a great challenge. Even before the COVID-19 pandemic led to a downturn in economic activities across the world, Zimbabwe had been faced with severe socio-political and economic challenges. In terms of its economy, inflation, foreign currency shortages and financial stringency are typical examples of such challenges. Zimbabwe's efforts have also been affected by continuous natural disasters such as Cyclone Idai and severe droughts, which jeopardize the food security of the country.

4.131. We hope, however, Zimbabwe will overcome these challenges through its commitment to improving its socio-political and economic environment. Particularly, in terms of promotion of trade and investment, besides the challenges to achieving political, economic and social stability, we look forward to seeing Zimbabwe proactively working to improve its business environment and addressing the issue of overseas remittances and the so called "legacy debt" problem.

4.132. Notwithstanding Zimbabwe's wide-ranging challenges, we appreciate the country's commitment to the WTO obligations, particularly Zimbabwe's ratification of the Trade Facilitation Agreement (TFA) in November 2018. We hope that transparency of the trade-related procedures and implementation of trade facilitation measures will promote a greater volume of trade between Zimbabwe and the other WTO members.

4.133. In conclusion, we expect that, by observing its commitments to the WTO, Zimbabwe will be well placed to pursue an open, transparent and non-discriminatory market for its development. We wish Zimbabwe a successful and productive TPR and look forward to hearing of further progress regarding its trade and investment policies at its next TPR.

ZAMBIA

4.134. On behalf of the Zambian Delegation, I wish to join others in welcoming the delegation of the Republic of Zimbabwe led by Honourable Dr. David Musabayana, the Deputy Minister of Foreign Affairs and International Trade of the Republic of Zimbabwe and to congratulate them for their Third Trade Policy Review.

4.135. We also thank, the discussant for this review, Her Excellency Ambassador Mlumbi-Peter of the Permanent Mission of South Africa, for the insightful comments and observations made earlier this morning.

4.136. Further, I wish to take this opportunity to commend the Secretariat as well as the Government of the Republic of Zimbabwe for the two detailed reports, which form the basis of this Review.

4.137. As highlighted in the two Reports as well as in the statements made today, Zimbabwe is currently implementing major, social, political and economic reforms with the long-term strategic vision of transforming Zimbabwe into a Prosperous and Empowered Upper Middle-Income Society by 2030.

4.138. Despite recording a contracted GDP in 2019 due to internal and external shocks, we are very still encouraged by the government's reform agenda which we expect will yield an improved GDP and overall socio-economic growth in the coming years.

4.139. Zambia also commends Zimbabwe for her continuous effort to integrate into the global trade, through the ongoing regional and continental efforts in SADC, COMESA and the AU. We are equally confident that the recently concluded African Continental Free Trade Area agreement will greatly increase Zimbabwe's trade and promote integration into the African market.

4.140. At the bilateral level, and as close neighbours, Zimbabwe and Zambia share very long-standing relations dating as far back as the pre-independence period and this is evidenced by the continuous cooperation over the years in many different areas including in politics, culture, energy development, agriculture, environment protection, and in trade and economic development.

4.141. With that being said, we are still aware that many challenges still remain which require concerted effort at the bilateral, regional and multilateral levels. It is, therefore, my delegation's expectation that this review will generate interest among members of the WTO to continue supporting Zimbabwe, in the areas where there are still deficiencies.

4.142. To conclude, I once again wish to congratulate the Government of the Republic of Zimbabwe and wish them a successful Third Trade Policy Review.

TAJIKINSTAN

4.143. On behalf of the Government of the Republic of Tajikistan, I would like to extend a warm welcome to the entire delegation of the Republic of Zimbabwe led by Hon. Dr. Musabayana.

4.144. We appreciate the efforts of the Government of the Republic of Zimbabwe for the well-prepared report and the Secretariat's team for their work in producing an informative report circulated well ahead that provides a basis for today's meeting. The Reports provide comprehensive details on the developments in Zimbabwe's economic and trade policy since its previous review.

4.145. Since its last TPR, important steps have been taken by the Government of Zimbabwe to integrate its economy into the global trading system.

4.146. Tajikistan acknowledges the efforts made by Zimbabwe to implement various economic reforms, including the measures taken in the areas of agriculture, minor sector and tourism, modernization of its government procurement regime participation in negotiations on trade agreements, as well as the ratification of the WTO Trade Facilitation Agreement in October 2018 and all its commitments.

4.147. We also welcome a long-term strategic vision of the country "Towards a Prosperous and Empowered Upper Middle Income Society by 2030", and the new National Investment Policy unveiled in August 2019.

4.148. The Republic of Tajikistan highly appreciates the hard work and strong commitment of the Republic of Zimbabwe and wishes a successful and productive Trade Policy Review.

BOTSWANA ON BEHALF OF THE AFRICAN GROUP

4.149. I take this moment on behalf of the African Group to express our gratitude for the opportunity to participate in this third Trade Policy Review of the Government of Zimbabwe. We warmly welcome the Deputy Minister of Foreign Affairs and International Trade of the Republic of Zimbabwe, Honourable David Musabayana, as well as H.E. Mr. Taonga Mushayavanhu and the delegation to this very important peer review and transparency exercise on the trade policy and practices of Zimbabwe. We thank the Honourable Deputy Minister for the introductory statement on the state of the Zimbabwean economy.

4.150. We also extend special thanks to H.E. Ms. Xolelwa MLUMBI-PETER, the discussant of this review exercise. And our sincere gratitude to the Government of Zimbabwe and the WTO Secretariat for the comprehensive and insightful reports to facilitate this review.

4.151. Based on the reports by the Government of Zimbabwe and the Secretariat, we wish to highlight the following observations:

4.152. We note that Zimbabwe registered a nascent growth in GDP between the years 2015 to 2018 but a severe contraction by 6.5% in 2019. We are however enthused by the promising recovery projections for this year's GDP growth which are attributed to by new government reforms in the areas of, inter alia finance, investment, energy and agriculture.

4.153. It is also worth noting that the relapse in economic recovery of Zimbabwe in 2019 was due to both internal and external forces. In contrast to the slow but positive trends of economic recovery in some sectors of the economy such as Agriculture and Mining in 2019, we could already see worrying signs of reversal of this trend in 2019, due to a number of factors such as the continued imposition of economic sanctions by some members of the international community as well as natural disasters that affected mostly the country's food supply.

4.154. We acknowledge that although Zimbabwe's economy is still deeply repressed, the new government has put in place ambitious economic reform programmes to promote growth. Chief among those is the implementation of the Transitional Stabilisation Programme, which has helped the country phase out the multi-currency regime and re-introduce the Zimbabwean Dollar as a single local currency. To date, this move has seen Zimbabwean companies gain competitiveness in the export market.

4.155. Furthermore, the African Group has taken note of the statement by the Honourable Deputy Minister on the introduction of the foreign exchange auction system in June this year. We are happy to hear from the Deputy Minister that this new foreign exchange auction system is working well and has led to the re-building of market confidence and stabilised the exchange rate and prices. We are happy to learn that this has also improved access to foreign currency by the productive sectors of the economy and further improved the competitiveness of Zimbabwean companies in the export markets.

4.156. The African Group commends Zimbabwe for the continuous effort to integrate into the international trade and investment sphere, which is evident through the existing trade agreements and ongoing trade negotiations. We are confident that the recently concluded African Continental Free Trade Area (AfCFTA) agreement which Zimbabwe ratified in 2019 will to a great extent increase Zimbabwe's trade and promote integration into the African market.

4.157. As I conclude, I wish to indicate that Zimbabwe continues to face challenges and like many other countries, Zimbabwe will be greatly affected by the unprecedented impact of the COVID-19 Pandemic. It is of utmost urgency for countries to be united in the fight against the COVID-19 Pandemic. Hence, it is our considered view that international solidarity and cooperation is paramount for Zimbabwe's peace and security, and to ensure inclusive economic growth. We, therefore, pledge our unwavering support to help Zimbabwe in her efforts to regain socio-economic stability.

4.158. Lastly, we commend the Government of Zimbabwe for the successful Trade Policy Review.

CHAD ON BEHALF OF THE LDC GROUP

4.159. The Republic of Chad, on behalf of the LDC Group, takes the floor to express its heartfelt congratulations to Zimbabwe and its delegation, on the occasion of its third Trade Policy Review at the WTO. I also wish to congratulate H.E. Ms Xolelwa Mlumbi-Peter, Ambassador of South Africa, for her analysis work as a presenter, as well as the WTO Secretariat for the preparation of its report.

4.160. To date, Zimbabwe, after having undergone a long period of socio-economic instability, has recently launched a series of reforms in the framework of a project called "Vision 2030", with the aim of transforming the country into a prosperous and autonomous middle-income society by the year 2030.

4.161. In this context, we welcome that Zimbabwe has been able to initiate policies to better manage its budgetary and monetary mechanisms in order to provide greater macroeconomic stability. Zimbabwe is seeking to upgrade its economic conditions one step at a time, and as a result has developed a Transitional Stabilisation Programme.

4.162. Zimbabwe is aware that it has many challenges to overcome, including the sustainability of its foreign debt. The country has taken steps both in terms of tightening internal policy and as regards external creditors so that the debt burden becomes less of an obstacle to structural transformation and growth.

4.163. Zimbabwe is seeking to drastically reform its investment climate and foster business activity conditions. Ultimately, this should result in increased productivity, economic growth and job creation.

4.164. To date, according to the Report by the Secretariat, Zimbabwe's key sectors are agriculture, mining and quarrying, and tourism. In time, Zimbabwe intends to diversify its economy even more than at present, to boost export-led growth.

4.165. To this end, Zimbabwe has developed a National Industrial Development Policy to be implemented by 2023, to push export-led industrialization forward. Domestic investment, Special Economic Zones, and foreign investment will play a significant role in achieving Zimbabwe's economic objectives.

4.166. Many of Zimbabwe's projects and objectives echo those of LDCs as concerns structural transformation, industrialization and greater export-led growth.

4.167. Also, we welcome that Zimbabwe, by joining the African Continental Free Trade Area, has committed itself to phasing out customs duties on goods from African LDCs, which amount to 90% of its tariff lines, according to the Report by the Secretariat. In time, this can only help strengthen trade between members of the LDC Group and Zimbabwe – particularly in a context of greater regional integration.

4.168. Despite the current context of the COVID-19 crisis, which is disrupting the development plans of all the world's countries, on behalf of the LDC Group, I wish Zimbabwe every success in carrying out its reforms and its Trade Policy Review.

TURKEY

4.169. Let us also extend a warm welcome to Deputy Minister Musabayana and his delegation.

4.170. We thank the Secretariat and the Government of Zimbabwe for their comprehensive reports, as well as Ambassador Mlumbi-Peter for her contribution to the review.

4.171. Zimbabwe, as it is indicated in the reports, have suffered many financial and economic problems which negatively affected not only the trade and investment environment of the country but also the prosperity of her people.

4.172. We observe that the main challenges of the Zimbabwean economy are the long spell of governance and structural problems.

4.173. While struggling with these problems and natural disasters affecting the economy, the sanctions imposed for almost two decades made the situation even worse.

4.174. Sanctions hurt no one but ordinary citizens of Zimbabwe. Turkey is against all sort of sanctions and international isolations.

4.175. During the review period, we are pleased to see that various reforms were introduced.

4.176. We believe that the New National Investment Policy unveiled in August 2019, the New Companies Act, the National Industrial Development Policy, and also the economic recovery prospects in 2020 will help Zimbabwe to attract foreign investment.

4.177. We also hope that the new public procurement regime will be beneficial for the economy.

4.178. The Government's long-term strategic vision 'Towards a Prosperous and Empowered Upper-Middle Income Society by 2030', also shows its commitment to alleviate poverty while ensuring sustainable development.

4.179. We encourage Zimbabwe to implement all the key reforms and open up the country for business.

4.180. We also commend strong adherence of Zimbabwe to WTO rules and regulations and appreciate her increasing engagement into current negotiations. Especially, the notifications under TFA and establishment of a national trade facilitation committee are praiseworthy.

4.181. We believe that there are important cooperation prospects in Zimbabwe, especially in trade and investments.

4.182. Therefore, we are willing to improve our economic relations with Zimbabwe in every field possible.

4.183. Current trade volume does not reflect the real potential between our countries.

4.184. Turkey-Zimbabwe Business Council that has been established in 2017 should contribute to our efforts on that end.

4.185. In this sense, we look forward for further developing the institutional framework of bilateral economic relations and our bilateral cooperation in all possible areas both in bilateral and multilateral fora.

4.186. We would like wish Zimbabwe a very successful review.

MALAWI

4.187. At the outset, the Malawi delegation would like to thank the Secretariat, the discussant, Ambassador Xolelwa Mlumbi-Peter on the successful committee for Zimbabwe's Trade Policy Review. Secondly, the Malawi delegation would also like to thank the Zimbabwean delegation, led by the Deputy Minister of Foreign Affairs and International Trade, Hon. Dr. Musabayana, on the successful completion of the Trade Policy Review.

4.188. As you are aware, Chair, Zimbabwe should boost market access in exports. At the same time, it should also boost credibility of domestic policy and policy reform. For a developing country such as Zimbabwe, increasing recognition in the multilateral trading system helps to ensure that the Zimbabwean traders will be increasingly connected to the global value chains, and, at the same time, help to achieve the 2030 Development Agenda.

4.189. Reduced uncertainty about trading conditions in export markets has significant welfare implications for the economy as a whole for Malawi which has bilateral trade agreement and implement simplified trade regime, among other economic and social agreements. The process and successful completion of trade policy review enhances and is a positive sign since our economies rely on each other, including regionally within the SADC and COMESA.

4.190. This exercise is also coming at a better time, as the African Continent is about to implement the AfCTA, which needs predictable trade regimes, as such measures will be an important recipe for the success of the continental economic growth.

4.191. Congratulations to Zimbabwe once again.

5 REPLIES BY THE REPRESENTATIVE OF ZIMBABWE AND ADDITIONAL COMMENTS

5.1. Allow me Chair, to thank you personally for ably steering my country's third Trade Policy Review. In the same vein, allow me to also express Zimbabwe's profound and sincere gratitude and appreciation to Ambassador Xolelwa Mlumbi-Peter of the Republic of South Africa for being a discussant for our Trade Policy Review. I am aware that besides and beyond the reports that were prepared for this meeting, she is personally acquainted with developments in Zimbabwe. And so, we are grateful that she agreed to be the discussant, and she did a splendid job. Indeed, the comprehensive overview that she presented, gave us an excellent basis for the rich discussions that ensued. Thank you very much Ambassador.

5.2. A TPR is indeed a peer review, a transparency exercise in which members can ask and comment about any of our laws, institutions, policies and practices, as they affect trade and the economy. In this regard, I wish to thank you all for being part of the process. In particular, I wish to acknowledge and thank those delegations and country groupings which asked questions, and which offered useful comments and constructive suggestions. We thank you all.

5.3. Zimbabwe's willingness to proceed with this Trade Policy Review is a clear demonstration of our strong commitment to the principle of transparency. As a low-income developing country with many economic and infrastructure challenges, including challenges with connectivity, the decision to convene the Review in the middle of a global pandemic was not an easy one. We hope that many other delegates will draw upon, and benefit from this ground-breaking experience for a developing country.

5.4. A number of delegations, including the United Kingdom, the European Union and Canada, addressed the issue of governance and corruption. On this point, I wish to state that from the very first day of his inauguration, His Excellency President Emmerson Mnangagwa pledged to eradicate corruption across all spheres of our society. In this regard, I am happy to report that the Zimbabwe Anti-Corruption Commission has complete autonomy and has done a great deal to independently investigate and prosecute corrupt elements across the board.

5.5. As a result of their efforts, two former Cabinet Ministers and two sitting Cabinet Ministers are either behind bars or are on trial facing serious charges of corruption and abuse of office. A raft of other senior Government officials, senior State Enterprise management figures, and others find themselves in similar circumstances - i.e. already long-term guests of the State or, almost certainly, heading in that direction.

5.6. As a further transparency measure, Zimbabwe has taken note of the recommendation by Canada to consider joining the Extractive Industries Transparency Initiative to enhance transparency through public audits and disclosures. In this regard, we note and warmly welcome the useful and productive visit to Zimbabwe last October, by Helen Clarke - former Prime Minister of New Zealand - in her capacity as EITI Board Chair.

5.7. We wish to thank Iceland for their questions on women participation in economic development. In response to the questions from Iceland, we have submitted our full answers. I therefore wish to refer the delegation of Iceland to our more elaborate answers contained in the submission. However, as my Deputy Minister said in his Opening Statement on Wednesday, a society is only as strong as its weakest members. In this regard, you should know that, for a long time, Zimbabwe has had a fully-fledged Ministry of Women Affairs, mandated to economically, politically and socially empower women, and to promote legislation for affirmative action. Beyond the executive structures, there is also an independent Gender Commission dedicated to promoting women economic empowerment, among other pro-women policies.

5.8. We have taken note of the encouragement by Canada to participate in the Joint Statement Initiatives (JSIs), such as for MSMEs, as well as to support the Joint Declaration on Trade and Women's Economic Empowerment.

5.9. A number of delegations, including the United Kingdom, the United States and Canada raised questions about the status of land and property rights protection in Zimbabwe. I am glad to say that the New Dispensation has repeatedly stressed its commitment to fully respect Zimbabwe land and property rights. As recently as last July, through the Global Compensation Deed, signed between

the Government and the leadership of the Commercial Farmers Union, the Government demonstrated its commitment to respecting land and property rights. Through this agreement, the message to investors is that "Zimbabwe is indeed Open for Business", and that protection of all investment is guaranteed.

5.10. Zimbabwe listened carefully to the views of WTO Members during our last Trade Policy Review in 2011 with regard to the Indigenisation Policy. Your recommendations, among other considerations, led to the subsequent repeal of that legislation and the policy.

5.11. We note the concerns raised by Canada and Japan on the legacy debt problem. I wish to assure this meeting that, while the country is in debt overhang - mainly due to continued accumulation of external payment arrears - the Government is re-engaging the international community with a view to coming up with a strategy to clear the arrears and as such, Government debt is expected to decline to sustainable levels given that GDP will be growing against limited external borrowing.

5.12. Regarding the domestication of international agreements raised by the UK, the EU and the USA, the Government of Zimbabwe is committed to the domestication of the Agreement Establishing the WTO, the Trade Facilitation Agreement, the ESA-UK EPA and Acceptance of the Protocol Amending the TRIPS Agreement. However, in accordance with the Constitution of Zimbabwe, the domestication process has to go through Zimbabwe's legislative process which, regrettably, is a lengthy one, further complicated now by Covid-19 restrictions.

5.13. We also take note of the concerns made by some Members that our technical regulation regime is fragmented. Let me assure Members that the country will speed up the finalisation of a National Quality Policy, which will outline the structures and mandates, and this will be aligned with international best practice.

5.14. In the area of import licencing, Zimbabwe is working to simplify and automate such import-licencing procedures and systems.

5.15. Let me highlight that, for State-Owned Enterprises (SOEs) which have been identified for privatisation, equal opportunity for shares will be offered to both foreign and domestic investors, through a transparent, competitive bidding process.

5.16. Zimbabwe notes the concerns raised by some Members regarding difficulties in the repatriation of dividends. Zimbabwe has a clear policy on dividend payments which allows for 100% repatriation of such dividends. This notwithstanding, over the past few years, the country has experienced significant foreign currency shortages which have resulted in some investors failing to access adequate foreign currency for dividend repatriation. The situation has improved significantly since the introduction of the foreign exchange auction system in June this year.

5.17. Dividend repatriation and debt repayments are classified as priority 1 in terms of the auction's foreign exchange priority-list, and Corporates needing to remit dividends to their foreign shareholders have generally been able to do so without too many hassles since the introduction of the auction system.

5.18. Overall, Zimbabwe values the critical role of FDI in its economic growth and development aspirations, and hence is committed to continue prioritising timely and flawless remittance of dividends and loan repayments to foreign shareholders and lenders, respectively.

5.19. My delegation wishes to acknowledge and to thank Canada and the United States for raising concerns concerning our fulfilment of WTO notification obligations. In this regard, Zimbabwe will endeavour to pay close attention to transparency requirements under the WTO and will continue to work towards ensuring that all pending notifications are made. Furthermore, Zimbabwe will continue to engage the WTO Secretariat to ensure that officials are capacitated to comply with the notification obligations.

5.20. Canada raised the issue of Zimbabwe's assessed financial contributions to the budget of the WTO. On this one, delegates to the last meeting of the General Council will have noticed that Zimbabwe was not mentioned during that meeting as being among the Members-in-arrears. It is

important to note that last June, Zimbabwe paid its outstanding arrears in full: this then resulted in the removal of Zimbabwe's name from Members under Category II of the Administrative Measures.

5.21. Zimbabwe acknowledges that its applied MFN Rate of Duty on 61 tariff lines and Surtax on Selected Products is above bound rates. This adverse situation is a temporary one which arose from the very difficult macroeconomic situation our country has faced over the past few years. Notwithstanding this, consultations are currently under way with a view to addressing this anomaly. Regarding tariff binding commitments which is at 25%, may I state that Zimbabwe has taken note of the concerns expressed by Members, and will endeavour to improve on the binding coverage.

5.22. With these system-wide reforms covering trade, finance, the ease-of-doing-business, investment, land and property rights, anti-corruption, the empowerment of women, among others, the Government of Zimbabwe is of the positive belief that our economy is now on a trajectory for sustainable growth. However, notwithstanding all the well-meaning intentions, sound policies and a raft of reforms, our efforts will continue to be hampered, whilst the albatross of sanctions remains around our neck, stifling us from realising our full potential.

5.23. Besides disasters from natural phenomena such as recurrent droughts, tropical cyclone Idai, and the COVID-19 pandemic, Zimbabwe, a relatively small, low-income developing country has had to survive under the heavy burden of those sanctions and other punitive measures imposed by some within our midst. In this regard, my delegation wishes to thank our sister Republic and neighbour Mozambique, as well as Turkey, among others, for calling for the immediate and unconditional removal of all sanctions, so that we can participate fully and equitably in the global trading system. The call by Mozambique and Turkey for the immediate and unconditional lifting of sanctions is consistent with the long-standing position of the countries of the South, including the Southern African Development Community (SADC), the African Union, the Non-Aligned countries, as well as China, the Russian Federation, among many others.

5.24. There is a mistaken assumption that these sanctions are targeted in nature against individual political leaders in Zimbabwe. The reality is that they are pretty well indiscriminate in their reach and impact. They have a contagion effect where the very tag of being sanctioned affects our international transactions and even our attractiveness as an investment destination. The overall effect is to hurt the most vulnerable members of our society; the women folk, the girl-child, the youth, the orphans and the disabled.

5.25. The Covid-19 pandemic continues to exact a heavy toll on individuals, families, the country's health system, the productive sectors, as well as business across our entire society. We hope for a positive outcome from the current discussions in the Committee on Trade and Development Special Session (CTD SS) on the need for an addendum to the agreed Aid for Trade (Aft) Work Programme, on the need for additional funding to developing and least developed countries to address challenges caused by the pandemic.

5.26. Zimbabwe appreciates the continued support extended by all Cooperating Partners and looks forward to continued partnership in our efforts to diversify the economy.

5.27. In spite of the many challenges that we have faced and continue to grapple with as a nation, Zimbabwe's economy has continued to show resilience due, in large measure, to the economic support and commerce with other countries in SADC, in COMESA, in the rest of Africa and beyond. In this regard, Zimbabwe wishes to thank Botswana on behalf of the African Group and Jamaica on behalf of the ACP Group, for their important messages of solidarity with, and support for Zimbabwe.

5.28. In addition, we also extend our thanks to Mozambique, Turkey, China, India, Indonesia, Thailand, Mauritius, Singapore, Egypt, Zambia, Tajikistan, Malawi, the United Kingdom, the European Union, the United States, Canada, Iceland and Japan for participating in Zimbabwe's third Trade Policy Review.

5.29. Once again, let me thank you all for participating in this Trade Policy Review, which, we believe, was both engaging and constructive.

DISCUSSANT

5.30. I would like to congratulate Zimbabwe for a successful review and for their active and open participation in this process. The COVID-19 pandemic has necessitated that the reviews which were scheduled to take place earlier this year be postponed, including that of Zimbabwe which was scheduled for 25 and 27 March 2020. In understanding the importance of this process, Zimbabwe engaged constructively with the Secretariat in re-scheduling the TPR so that the work of the WTO continues even under these difficult circumstances. This is a clear demonstration of Zimbabwe's commitment to the multilateral trading system and especially the TPRM.

5.31. I wish to also commend the WTO Membership for participating in this TPRM and for submitting questions and for their active engagement. I will highlight a few key issues underscored by Members.

5.32. Firstly, Members applauded Zimbabwe's commitment to international trade not only through the WTO but also through the active participation in regional economic processes in the African continent, including the African Continental FTA. Through the AfCFTA, African countries are displaying their strong resolve to boost intra-Africa trade and usher reforms that will enhance long-term growth for African countries. This is especially important in a world marked by protectionism, unilateralism and limited commitment to multilateral cooperation.

5.33. In addition to the trade measures implemented under various statutory instruments as mentioned in my opening remarks, Members identified the need to improve the trade and investment environment by addressing the governance issues such as corruption, as well as policy inconsistency, obstacles to repatriation of dividends, closure of certain sectors to FDI and applied rates that exceed the bound rate on the 61 tariff lines identified in the Secretariat report. Members also appealed to Zimbabwe to fulfil its notification obligations and, in recognition of capacity constraints, to request assistance from the WTO Secretariat when in need. Other issues raised include the negative impact of sanctions in Zimbabwe's efforts to boost its economy. Members also recognized the adverse impact of natural disasters, including Cyclone Idai on the agriculture sector, food security and the economy at large.

5.34. Importantly, Members commended the Government of Zimbabwe for its commitment to economic reforms which aim to promote macro-economic stability, reinvigorate the economy and improve governance. In this regard, the modernization and streamlining of the business procedures has contributed to Zimbabwe moving up 15 places in the 2019 World Bank Ease of Doing Business Index. Members emphasized the need for the reforms to be implemented with a view to promote an open, non-discriminatory, transparent and a predictable trade and investment environment.

5.35. Finally, I would like to salute Zimbabwe for responding comprehensively both to the written questions and issues raised by Members, especially given the extreme circumstances we find ourselves. In addition, I wish to congratulate Hon. Dr. David Musabayana, the Deputy Minister of Foreign Affairs and International Trade, as well as the whole team of the Government of Zimbabwe that worked on this Review for participating in this process. I also congratulate Ambassador Mushayavanhu and his team for a successful review. The preparatory work and the role of the Secretariat in the success of this process is notable and, on behalf of the Members, I thank you. I would also like to thank you Chair for inviting me to be the discussant. I thank you.

EUROPEAN UNION

5.36. Let me first thank the delegation of Zimbabwe for the comprehensive overview presented last Wednesday of the main developments that occurred during their last Review, as well as for the statement this morning that addressed some of the issues raised by us and other Members on the first day. This is much appreciated.

5.37. The EU also appreciates this useful opportunity to discuss and better understand the developments in Zimbabwe's trade policies and practices since the previous TPR in 2011. The EU hopes that Zimbabwe will duly take into account some of the challenges highlighted by Members, including the EU, during this Review.

5.38. As already stated on the first day of the Review, the EU hopes that the Zimbabwean Government continues to take steps to ensure economic and social stability, as outlined in its stated

economic reform agenda, and to follow up on its political and governance reform commitments. The economic reforms cannot be seen in isolation from the political reforms and the need to improve governance. In this context, let me express our appreciation again for the statement this morning that provided some useful updates in this regard.

5.39. The EU would like to thank Zimbabwe for the timely replies provided to all our questions submitted in advance of this meeting, and we do not have any follow-up questions.

5.40. Finally, the EU thanks the delegation of Zimbabwe for undergoing this challenging exercise that the trade policy review represents, especially under the current circumstances.

UNITED KINGDOM

5.41. The United Kingdom would like to express its appreciation of Zimbabwe's active participation in this Trade Policy Review.

5.42. Despite the challenges and limitations resulting from the COVID-19 pandemic, we likewise commend the WTO Secretariat and you, Mr Chair, for finding ways for us to move forward with the reviews which serve a vital transparency function.

5.43. As an important trade partner of Zimbabwe, the United Kingdom wants to ensure continuity in trade between us. We are pleased with the progress made on the economic partnership agreement between the UK and the Eastern and Southern Africa States, which Zimbabwe signed in January 2019. To ensure the agreement is ready to enter in force on 1 January 2021, Zimbabwe will need to complete all domestic procedures by 31 December this year.

5.44. We have submitted some follow-up questions to Zimbabwe, and we look forward to receiving their responses in due course.

5.45. In conclusion, the United Kingdom extends its thanks to the delegation of Zimbabwe and its best wishes for a successful TPR.

UNITED STATES

5.46. The United States would like to thank Zimbabwe's Deputy Minister of Foreign Affairs and International Trade, Dr Musabayana and Ambassador Mushayavanhu and the rest of the Zimbabwean delegation for their participation on Day 1 and for their efforts to prepare for the TPR, especially considering the additional challenges caused by COVID-19.

5.47. That said, in some cases, Zimbabwe did not sufficiently reply to our advance written questions. We would like to highlight some of those issues today, and we urge Zimbabwe to more fully address these matters in response to Members' follow-up questions.

5.48. We were pleased to learn that Zimbabwe has submitted, or is planning to submit in the near future, several outstanding notifications to various WTO Committees. This is a commendable step towards greater transparency, which is the foundational principle of the WTO obligation of membership.

5.49. We welcomed the comments this morning concerning the status of outstanding notifications and, in that vein, we would like to draw Zimbabwe's attention to some specific notifications. In replying to our questions concerning import licensing and agricultural imports, Zimbabwe listed several procedures that have not yet been notified to the Committee on Import Licensing. Zimbabwe's responses gave no indication of when these notifications will be made.

5.50. Similarly, the Secretariat report indicates that Zimbabwe has not made a notification to the Working Party on State Trading Enterprises since 2008, despite a requirement for Members to notify on a biennial basis even if they have no STEs.

5.51. Zimbabwe notes that none of the entities mentioned in the Secretariat report have monopoly control on the export of goods but Zimbabwe's response does not appear to be consistent with the working definition of a state trading enterprise.

5.52. We ask Zimbabwe to fulfil its transparency obligation in these areas and notify future relevant measures and regulations in a timely manner.

5.53. The United States also reiterates its significant concern about the tariff lines where Zimbabwe's applied MFN tariff rate exceeds the bound WTO tariff rate, some by as much as 60%.

5.54. We found Zimbabwe's response to our concerns unclear, and we ask Zimbabwe to please specify concrete steps, and their timing, to promptly eliminate all instances in which Zimbabwe is breaking its WTO tariff bindings.

5.55. Furthermore, we note that Zimbabwe has yet to explain how its 25% surtax is consistent with Zimbabwe's bound WTO tariff schedule. We note that the goal of enhanced revenue generation is not a justification for a Member imposing other duties and charges that are inconsistent with its bound schedule. We request that Zimbabwe promptly reduce the surtax to the bound rate of 15%, consistent with its WTO obligations.

5.56. Regarding the timeline offered by Zimbabwe for the incorporation of the WTO agreements into domestic law, we expect Zimbabwe to prioritize this issue and pass enabling legislation well before the parliamentary session ends in 2023.

5.57. We also note that many other WTO Members, in addition to the United States, have voiced concerns about Zimbabwe's trade policy in the agriculture sector. We hope that Zimbabwe will take these concerns seriously and focus efforts on making the necessary reforms in this sector while removing unnecessary barriers to trade.

5.58. Finally, we would like to thank the Zimbabwean Government for their engagement during this review. We look forward to continuing our work with Zimbabwe, both within the WTO, as well as on a bilateral basis.

ZIMBABWE

5.59. Just to say that, indeed, we received some follow-up questions, and responses to those questions will be provided in due course.

5.60. Finally, I thank you very much, Chair, for having chaired this session very successfully and also thank our discussant for her very important contribution in this peer review process and thank all the Members who engaged. We received some 190 written questions and 21 Members participated in this session in terms of statements, and all that is taken on board.

6 CONCLUDING REMARKS BY THE CHAIRPERSON

6.1. This third Trade Policy Review of Zimbabwe has offered us a good opportunity to deepen our understanding of recent developments in, and challenges to, its trade, economic, and investment policies. We owe this to the great flexibility shown by the Zimbabwean delegation headed by Deputy Minister of Foreign Affairs and International Trade, H.E. Dr David Masabayana, who participated from Harare. Indeed, by agreeing to hold this TPR in a hybrid format, despite the constraints to full in-person meetings imposed by COVID-19, the delegation has demonstrated the high importance Zimbabwe attaches to the Trade Policy Review Mechanism as a transparency exercise. We greatly appreciate its efforts.

6.2. I would also like to thank our discussant, H.E. Ambassador Ms. Xolelwa MLUMBI-PETER, Permanent Representative of South Africa to the WTO, for her enlightening statement, and the WTO Secretariat and the 21 delegations that took the floor during the first day for their valuable contributions to this Review.

6.3. Members welcomed Zimbabwe's commitment to undertake economic reforms aimed at macroeconomic stability and addressing structural issues. They deplored the COVID-19 pandemic that is exacerbating the severe impact Cyclone Idai has recently had on the Southern African region, including Zimbabwe, and encouraged the latter to continue to pursue its reform agenda perceived as the most appropriate approach to stabilize its economy. Members commended Zimbabwe's efforts to stabilize its currency, noting that the forex regime should not act as a disincentive for investors and exporters. Accordingly, they welcomed the introduction of a weekly forex auction by the Reserve Bank of Zimbabwe in June 2020, and they sought information regarding further measures to ensure that the forex market operates in an open and transparent manner. This could contribute to bringing down inflation from its currently high levels, and improving the business environment, in particular for SMEs, and the balance-of-payments. Several Members called on Zimbabwe to reduce state ownership, to improve the governance of state-owned enterprises, and to further tackle corruption.

6.4. Zimbabwe's repeal of its "indigenization" provisions was appreciated, bringing an end to the 49% foreign ownership cap in all sectors. Some Members raised questions regarding measures to dismantle remaining investment restrictions, ensure investment protection and repatriation of dividends, and to eliminate remaining provisions prescribing the degree of export orientation of investment proposals. They urged Zimbabwe to address its outstanding land issue.

6.5. Zimbabwe's ratification of the TFA was praised and the country was encouraged to take appropriate measures to align its regimes to the relevant provisions of the agreement. Several delegations commended Zimbabwe on its active participation in trade negotiations, including the AfCFTA and the Tripartite Free Trade Area between COMESA, EAC and SADC, in addition to concluding an EPA with the European Union.

6.6. Members urged Zimbabwe to address a number of trade concerns, including: its MFN tariff rates that exceed the bound levels on some products; the 25% surtax levied on many products despite its binding of Other Duties and Charges at 15%; its quantitative restrictions and complex non automatic import licensing regime; some SPS requirements; and its new Consignment-Based Conformity Assessment system for a range of products. It was suggested that removing these non-tariff barriers could help reverse the decline in the ratio of trade in goods and services to GDP by increasing Zimbabwe's participation in global trade. In this regard, Members highlighted the success of a web-based facility in allowing stakeholders to report and solve trade concerns.

6.7. Several Members praised Zimbabwe for the efforts to modernize its government procurement regime and for the establishment of its new procurement regulatory authority. On intellectual property rights, Members noted the increase in trademark applications and expressed interest in Zimbabwe's National Intellectual Property Policy and Implementation Strategy 2018-22.

6.8. Turning to sectoral policies, several Members suggested ways to address the country's energy crisis, recommending duty-free imports of solar equipment with the view to encouraging investment in renewable energy. Zimbabwe was also encouraged to digitize mining licences; to seek sustainable investment in raw materials extraction, particularly in the diamond, platinum, graphite, lithium and cobalt sectors; and to join the Extractive Industry Transparency Initiative.

6.9. In agriculture, several Members called for a reduction in government intervention and inquired about the functioning of the Grain Marketing Board, the "Command Agriculture" domestic support programme, and the new Climate Smart Agriculture programme. Further clarification was sought regarding Zimbabwe's import licensing procedures for agricultural products, and its regime for the sale and use of GMOs and GMO products.

6.10. The Zimbabwean delegation reiterated its commitment to the multilateral trading system and announced that the country was in the process of domesticating the WTO Agreement. The ratification of the Protocol Amending the TRIPS Agreement was also underway. Members reminded Zimbabwe of its transparency obligations in the WTO and invited it to reduce the backlog of outstanding WTO notifications, including on domestic support in agriculture, SPS and TBT, import licensing procedures, safeguards, customs valuation and RTAs. The Zimbabwean delegation also called for the elimination of international sanctions.

6.11. In closing, I hope that the Zimbabwean delegation will take into account and further reflect on these issues and on the many constructive comments that it has received during this Review. Zimbabwe has provided replies to the 189 advance written questions raised by Members. As noted by Members, there is ample scope to expand assistance to help Zimbabwe on the path of reform and economic recovery, notably through its further participation in the multilateral trading system. I wish to thank again the Zimbabwean delegation for its commitment to this exercise and all delegations that participated for their constructive feedback, despite the difficult circumstances. Members look forward to receiving the answers from Zimbabwe to all outstanding follow-up questions within one month, at which point the Review will be successfully concluded.
