

# STATEMENT BY THE MINISTER OF INDUSTRY COMMERCE AND ENTERPRISE DEVELOPMENT ON ZIMBABWE'S EXPERIENCE WITH TRANSPORT CONNECTIVITY AND TRADE FACILITATION IN ACHIEVING THE SDGs

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## SALUTATIONS

I would like to express my gratitude for the good hospitality given to my delegation since our arrival in the country. Zimbabwe as you are aware, is landlocked and has faced challenges like all landlocked countries. This conference therefore is very important for us as we share experiences and ways of improving the movement of trade and persons.

**Mr. President,** let me give a brief on what steps Zimbabwe is taking in implementing various initiatives that assist our business people and those transiting through our country.

## BACKGROUND

- 1.1 Transport connectivity and trade facilitation in Zimbabwe is being implemented as a bundle of solutions targeted to respond to the needs of our traders profile, to ensure that trade is inclusive, and its benefits are shared among large, SMEs and vulnerable groups that include women and youth in both urban and rural areas.
- 1.2 Public good, quasi-public good and non-reciprocity characteristics of transport connectivity and trade facilitation interventions are being exploited to engender deep integration and manipulate trade to be inclusive and amenable to achieving SDGs.

## **2.0 Transport Connectivity interventions in Zimbabwe**

2.1 Transport connectivity is being addressed in two fronts, by harmonising transit policies and infrastructure development.

### **Transit Policies:**

- Regional Customs Bond Guarantee Scheme (RCTG);
- Use of Single Administrative Document (SAD) used by most regional member states;
- COMESA Carrier License;
- Harmonization of road transit charges;
- Standardised Axle load limits with regional requirements;
- Standardised Vehicle (truck) dimensions;
- Established electronic cargo tracking system;
- Party to the corridor management institutions of Beira and North-South-Corridors;
- Yellow Card Insurance Scheme; and
- Use of the regional NTB online reporting portal.

The above initiatives have enabled seamless flow of transit traffic in Zimbabwe and the region.

### **Infrastructure development**

Government is engaged in road infrastructure development and rehabilitation along major trade corridors that serve the East and Southern Africa.

- The Mutare-Harare-Bulawayo- Plumtree was completely rehabilitated. According to the Cost-Time-Distance study by Government in 2017, this rehabilitation increased the average speed of heavy trucks to 48km/h from 33km/h between the Harare-Mutare section.

- Government is now working on dualisation of the Beitbridge-Harare-Chirundu road which is along the busiest North-South-Corridor from the border with South Africa to Zambia. The project is projected to significantly reduce transit times and costs.
- As a key transit route along the North –South Corridor, the Harare- Beitbridge dualisation project is expected to start soon.

### **3.0 Trade facilitation interventions in Zimbabwe:**

3.1 Government of Zimbabwe demonstrated political will in the furtherance of the trade facilitation agenda. A basket of solutions that together reduce transit time and costs are being implemented and these include:

- Establishment of a National Trade Facilitation Committee and notification of Category A commitments under the WTO Trade Facilitation Agreement (WTO TFA). The ratification of the WTO TFA is now awaiting Presidential Assent.
- Zimbabwe is progressing in modernising Customs through automation programmes. Our Customs use the ASYCUDA World system which enables electronic risk management, electronic pre-lodgement of Customs declarations and supporting documents and e-payment. Non-intrusive inspections has been deployed through the use of baggage and heavy duty scanners. Electronic Single Window System is work in progress;

- The Government recently launched the e-licensing systems for import and export licenses;
- We are implementing the COMESA regional Simplified Trade Regime (STR) for SME cross borders. There is also regional desire to undertake the same at SADC;
- We are piloting Single Payment System at Beitbridge border post. The ultimate intention is to do the same with other borders throughout the country.
- The Country is finalising its Trade Facilitation Roadmap (2018-2022). This will help in ensuring a systematic and planned manner in the way Category B and C Commitments are implemented.
- Government rolled out the Authorised Economic Operators programme to promote self-regulation and expedite clearance and release of goods at the ports of entry and exit;
- Border modernisation and establishment of One Stop Border Posts to improve border facilities and streamline border crossing procedures and formalities are work in progress
- Rapid Result Initiatives (RRI) are being undertaken to ensure legislation affecting business operations are reviewed. This will make Doing Business easy, promote exports and economic growth;

3.2 Zimbabwe has also launched a Trade information Portal (TIP) that provides comprehensive, single-point access to market intelligence,

current trade news and information on trade regulations, duties, taxes, and other services that facilitate trade.

#### **4.0 Impact**

- 4.1 The above interventions are assisting greater participation in trade by large firms, SMEs, women and youth in both urban and rural resulting in improvements in government revenue, household income, profitability and reduction in poverty incidences and income inequality.
- 4.2 Chirundu OSBP reduced border crossing time from 2-3 days to 24 hours, this saw the commercial traffic at the border increasing by 65% and the time saving was valued to around US\$600 000.00 a day and between US\$2.1 and US\$3.1 million annual exports to Zambia were induced.
- 4.3 The Simplified Trade Regime (STR) for SME cross borders that was implemented has enabled SMEs and vulnerable groups that include women and youth in rural and urban areas to engage in trade with COMESA member states. This has also helped increase their income and reduced inequality and poverty incidences;
- 4.4 Development of both feeder and trunk roads in Zimbabwe has enabled unlocking expected values on rural agricultural produce as they are able to access intended customers.

**I Thank You**