

DISTRIBUTED BY VERITAS

**Tel: [263] [4] 794478 Fax & Messages [263] [4] 793592
E-mail: veritas@yoafrica.com**

**VERITAS MAKES EVERY EFFORT TO ENSURE THE PROVISION OF RELIABLE INFORMATION,
BUT CANNOT TAKE LEGAL RESPONSIBILITY FOR INFORMATION SUPPLIED**

**PRESIDENT'S SPEECH OPENING THIRD SESSION
OF SEVENTH PARLIAMENT OF ZIMBABWE
TUESDAY 13th JULY, 2010**

Madame President of the Senate,

Mr Speaker, Sir,

Honourable Members of Parliament, I welcome you all to this Third Session of the Seventh Parliament of Zimbabwe. Consonant with our people's wishes and with help from our Sadc friends, we formed the Inclusive Government in February last year. More than a year on, our unity and determination as a nation has seen us come this far, even if still severely challenged by the persistent actions of our detractors.

Madame President, Mr Speaker Sir, Article VI of the Global Political Agreement underscores the right and duty of Zimbabweans as a sovereign people to make a constitution for themselves through a people-driven process. We are now at the critical stage where outreach teams are traversing our country, collecting the people's views for inclusion in the new Constitution. It is, indeed, important that the Outreach Programme ensures that we emerge with a Constitution, which is genuinely Zimbabwean in letter and spirit.

Pursuant to the terms of the Global Political Agreement, I am pleased to note that significant progress has now been made in establishing the four Independent Commissions provided for in our constitution. In fact, the Commissions are now fully functional. As part of this undertaking, the Zimbabwe Human Rights Commission Bill, the Electoral Amendment Bill and the Zimbabwe Electoral Commission Amendment Bill, will be brought for the House's consideration during this Session. The Referendums Amendment Act shall also be amended to render it consistent with the other constitutional and electoral changes.

Madame President, Mr Speaker, Sir, Through the implementation of the Short Term Emergency Recovery Programme (STERP), Government has succeeded in bringing about a modicum of stability to the economy after a decade of decline caused by the illegal and hateful sanctions imposed by Britain and its allies. Notable strides in improving economic performance include the revival of capacity utilisation in our industries; containment of incessant price increases for goods and services; improvement in service delivery in health and education; rehabilitation of basic infrastructure such as roads, water and sanitation facilities, as well as the normalisation of relations with key international financial institutions.

With regard to capacity utilisation, industries whose work rate had declined to below 10 percent rose to around 45 percent, taking advantage of the new investment opportunities

and the prevailing stable macro-economic environment. As a result, the economy grew by 5,7 percent last year, benefiting from a 14,9 percent growth in agriculture, 8,5 percent growth in mining, 10,2 percent in manufacturing, and 6,5 percent in tourism.

Government will continue to prioritise the need to galvanise the economic growth momentum to achieve a 5,4 percent growth by the end of this year, and go beyond that in 2011, under a stable macro economic environment with single digit inflation. This exacting goal will inevitably require improved efforts in mobilising capital for industry, support to agriculture and other productive sectors, and enhanced efficiency of strategic public utilities, particularly, in the power and water sectors.

Government continues to re-engage the international financial institutions over the country's debt, with a view to reaching some agreement so as to unlock new financing. The current nascent recovery of the economy and the existing limited fiscal space demand that action be taken to reinvigorate the economic recovery process.

The Minister of Finance, in the 2010 Mid Year Fiscal Policy Review scheduled for presentation in this august House this week, will no doubt outline specific interventions in this regard. This whole thrust will be further amplified and accelerated through the Medium Term Plan, also to be launched during the life of this Session of Parliament.

Madame President, Mr Speaker, Sir, Emphasis has shifted from reliance on aid as a critical factor for economic development to investment, both domestic and foreign. The heightened mobility and intense competition for capital resources underlines the need to work assiduously to enhance the country's appeal as an investment destination. As part of this effort, Government is currently processing Bilateral Investment Promotion and Protection Agreements with several countries. Agreements with Iran, India, Kuwait, Botswana, Singapore and the OPEC Fund will be brought to Parliament for ratification during this Session.

The Zimbabwe Income Tax Act shall be amended during this Session, in order to align it with regional and international best practices as well as to ensure compatibility with the fundamental tax principles of simplicity, equity and consistency. The Deposit Protection Bill, which seeks to transform the Deposit Protection Scheme presently enacted as a Statutory Instrument under the Banking Act, into an independent statutory entity, shall also be tabled before this Parliament.

Madame President, Mr Speaker, Sir, To ensure that agriculture plays its role of guaranteeing food security and anchoring our agro-based economy, priority will be accorded to increasing the sector's productivity through timeous and adequate provision of inputs, equipment and skills training programmes. With planning for the 2010/2011-summer season already underway, it should be possible to overcome the state of ill preparedness that seemed to always hound us in the recent past.

Given that the phenomenon of global warming is now a potent reality, as evidenced by more frequent droughts and shifts in weather patterns in our part of the globe, it is imperative that we expand our irrigation capacity as a caution against the increased climatic risk.

In this regard, government is working on an irrigation master plan, in terms of which two million hectares are projected to be put under irrigation over the coming 10 to 20 years.

Already, 300 hectares of communal irrigation schemes have been earmarked for development in 2010, with financing from the Public Sector Investment Programme (PSIP) and the European Union.

In addition, 78 non-functional communal irrigation schemes will be resuscitated. Furthermore, Government in partnership with the private sector and co-operating partners is developing a National Smallholder Farmer Support Programme, aimed at boosting household food security through the provision of inputs to communal, old resettlement and small scale farmers. Promotion of conservation agriculture is also going to be intensified, to enable farmers to make savings on draught power requirements and minimise land degradation.

The development of the livestock sector is of critical importance as a source of beef and dairy products for both domestic and export markets. Key in realising this objective is enhanced animal disease control, which guarantees good animal health. Efforts to avail more resources for national vaccination and control of contagious diseases will be intensified. More importantly, Government will continue to strengthen the marketing framework for agricultural products, in order to effectively reward farmers for their efforts.

Madame President, Mr Speaker, Sir, The mining sector continues to rise in importance as a growth node in the country's economic revival. This year, the sector is expected to record double-digit growth of more than 20 percent, as a result of firming mineral prices, increased investment and stable macro-economic environment. The Mines and Minerals Amendment Bill, which was first presented to Parliament in 2007, shall be tabled once again, for consideration in this august House during this Session.

The Bill will seek to discourage speculation, facilitate investment in the mining sector by both local and foreign investors, as well as ensure that the country derives maximum benefits from its vast array of minerals. The Zimbabwe Exploration Corporation Bill, which provides for the establishment of the Zimbabwe Exploration Corporation, shall also be brought before this House during this Session. Through the Zimbabwe Exploration Corporation, Government will be more actively involved in mineral exploration and thereby be in a position to determine the types and quantum of the country's existing mineral resources. With Zimbabwe now projected to contribute around 25 percent of the global diamond output, there are huge prospects for the diamond sub-sector to emerge as a major driver of the country's economic turnaround. Local benefaction of diamonds shall be encouraged through mechanisms that will require producers to set aside 10 percent of their production for local cutting, polishing and jewellery manufacturing.

The Kimberly Process Monitor's report declared the country as having fulfilled the Kimberly Process' minimum requirements, as per the Joint Work Plan agreed to in Swakopmund, Namibia. The same Report indicated that the country should be allowed to proceed with the immediate exportation of its diamonds. However, those ill disposed to us have not given up on the use of absurd conditionalities and other dilatory tactics in a bid to block the sale of our diamonds. Let there be no doubt whatsoever about our resolve to sell our diamonds for the benefit of our country and her people.

Madame President, Mr Speaker, Sir, As part of efforts to revive the manufacturing sector, a new Industrial Development Policy to be implemented from 2011 to 2015, shall be launched before the end of this year. The Policy will address the issues of skills shortages, availability of adequate lines of credit for working capital, recapitalisation, capacity utilisation, cost and availability of utility services, as well as the issues of tariff and non-tariff barriers.

The policy will be anchored on principles of global best practices, such as investment protection, local empowerment, policy consistency, value addition and development of integrated value chains. Government is also reviewing the 1994 Trade Policy, with a view to improving market access for goods and services, promote competitiveness of local exports on the global market as well as expand and diversify trade within existing and new markets.

The National Incomes and Pricing Bill, which seeks to effect the removal of price controls in line with pronouncements made in the 2009 Budget Statement, shall similarly be presented for consideration during this Session.

Madame President, Mr Speaker, Sir, Persistent erratic power supply remains a potent threat to the successful turnaround of the economy. However, Government is working on initiatives, which would see a gradual easing of the situation. These include measures to boost internal power generation through the ongoing rehabilitation of Hwange Power Station, where five out of six units are expected to become operational by end of this year. The Bulawayo Thermal Power Station will also be soon resuscitated. Investors will be invited to participate in power projects as independent power producers or under other suitable public private partnership arrangements. Use of renewable energy sources such as solar, biofuels and ethanol blending shall also be promoted. These measures will need to be complemented by implementing demand side management measures and the promotion of efficient use of energy.

The installation of prepayment metres, already underway, should help improve Zesa's efficiency in billing and revenue collection. The Energy Regulatory Bill, which seeks to establish an Energy Regulatory Authority, that will regulate the energy supply industry, will be brought to Parliament during this Session.

Madame President, Mr Speaker Sir, The carnage we continue to witness on our roads underlines the need to expedite the upgrading of our road infrastructure. This is a mammoth task which Government alone cannot undertake. Accordingly, Government is working on arrangements to enlist private sector participation in the dualisation of our major highways. Our drivers should be made to exhibit a greater sense of respect for the sanctity of human life by driving with due care and attention on our narrow roads.

To ensure effective maintenance of transport infrastructure and easing of congestion at the ports of entry, the Zimbabwe Border Post Authority Bill, which provides for the establishment of an authority to carry out this responsibility, will be tabled during this Session. Furthermore, the Civil Aviation (Amendment) Bill, which seeks to provide for the separation of regulatory functions from airport operation functions by the Civil Aviation Authority of Zimbabwe, will also be brought to this august House.

Madame President, Mr Speaker, Sir, The small and medium enterprises sector has proved to be the most enduring business sphere, while also being the seedbed of entrepreneurship the world over. To ensure that an enabling environment exists for the sustainable development and growth of the local sector, a Micro, Small and Medium Enterprises Bill shall be brought for consideration by Parliament during this Session.

Government, through the relevant Ministry is in the process of upgrading Savings and Credit Clubs into registered co-operatives. Several of the registered co-operatives have already done a commendable job by way of providing housing to their members. Government has since gazetted the amended Indigenisation and Economic Empowerment Regulations, which incorporate the concerns and suggestions by various stakeholders. The amended Regulations provide for employee and community share ownership schemes, among other in-built features that guarantee broadbased empowerment.

The establishment of sectoral committees comprising representatives from Government and Industry will ensure that the implementation process remains mutually consultative and sensitive to sector specific considerations.

Madame President, Mr Speaker, Sir, It is regrettable that, owing to unavailability of capital, very little development took place in the housing sector over the last decade. However, it is expected that the situation will change for the better, following the establishment of a National Housing Development Loan Facility, under which UD\$10 million has already been disbursed towards the provision of housing.

In addition, US\$1 million has been released to the Housing and Guarantee Fund for purposes of guaranteeing mortgage advances for low cost housing by building societies and finance institutions. This, of course, is far from being adequate, considering the existing huge housing backlog. I, therefore, urge building societies, financial institutions and the general corporate sector to quickly move in and complement Government programmes.

Madame President, Mr Speaker, Sir, The water sector is a critical enabler in any economy. As such, Government will continue to channel available resources towards the rehabilitation and upgrading of urban and rural water supplies and sanitation services. In this regard, centres such as Beitbridge, Gweru, Kadoma and Mhangura will be accorded immediate attention. Resources will also be marshalled towards the completion of ongoing dam and allied projects construction.

As a response to the persistent problem of environmental degradation, the Environmental Management Act shall be amended to provide for more deterrent penalties against offenders. The amendments will also provide for the establishment of an Environmental Standards Enforcement Committee and Environmental Committees in urban local authorities.

Madame President, Mr Speaker, Sir, In order to accelerate the development of the local tourism sector, Zimbabwe has been designated as a Tourism Development Zone through Statutory Instruments 46 and 60 of 2009. This provides for the offer of a rebate of duty to operators registered with the Zimbabwe Tourism Authority with respect to acquisition of new equipment, modernisation of facilities and goods imported exclusively for the tourism industry.

In a move that will certainly improve its efficiency, the Immigration Department has now computerised its operations at the Harare International Airport, Victoria Falls Airport, Kazungula and Beitbridge ports of entry. The Zimbabwe Tourism Authority, in partnership with Afrosoft, a software developer, has launched a mobile gateway, which will enable tourists to access critical information on the local tourism industry using mobile phones.

Madame President, Mr Speaker Sir, Effective development and application of communication technologies (ICTs) is a sine qua non of economic competitiveness in this era of the knowledge-driven economy. In pursuance of this goal, Government, through the Ministry of Information Communication Technology, has come up with a national ICT Strategic Plan. Consultations on the legislative framework to underpin development of this sector are underway. The overarching goal is to turn Zimbabwe into a knowledge-driven society and an ICT hub in the region. As we move towards increased regional integration, it is expedient that we work on harmonising the examination and quality assurance systems in the country with those in SADC and beyond.

In so doing, we guarantee the relevance and competitiveness of Zimbabwean qualifications and labour force in the global arena. Accordingly, the Zimbabwe Examinations and Qualifications Authority Bill and the School Examinations Council Amendment Bill will be brought to the house for consideration during this Session. The Indigenous Languages Bill, providing for the preservation and promotion of indigenous languages, will also be tabled before this august House.

To alleviate the plight of less privileged students, Government, with assistance from UNICEF, has expanded the scope of the Basic Education Assistance Module (BEAM) facility to cover both tuition and examination fees to cater for needy secondary school pupils. Needy students in tertiary institutions of learning will continue to receive assistance under the Government Cadetship Programme.

Madame President, Mr Speaker, Sir, Mindful that health is a fundamental human right, Government has over the years sought to achieve universal access to high quality health for all. However, the attainment of this grand objective has been retarded by the challenges largely emanating from the economic difficulties experienced by the country in recent years.

In an effort to trigger increased flows of resources into the health sector and in consultation with the donor community, Government has come up with a National Health Sector Strategy (2009-2013) and the Health Sector Investment Case document, the latter outlining priority areas of investment in the sector. Ongoing works to refurbish and equip central and provincial hospitals will continue. The Medical Aid Societies Bill, which will provide for the registration and regulation of medical aid societies, will be tabled in this House. I wish to express profound personal appreciation to all who have assisted us through the donor supported staff retention scheme for the health sector. The support has greatly stabilised the staff situation in the sector.

Madame President, Mr Speaker, Sir, The Attorney General's Office Bill shall be introduced in Parliament during this Session. The Bill will take Law Officers out of the Public Service and provide for functions and powers of the Attorney General's Office Board. The Criminal Law (Codification and Reform) Amendment Bill, which aims to

incorporate into the Code the suggestions by members of the public, shall be brought for consideration. Furthermore, a Media Practitioner's Bill, which will repeal the part of the Access to Information and Protection of Privacy Act which deals with the registration of journalists and privacy issues, will also be tabled during this Session.

In line with the Sadc decision to ensure our region migrates from analogue to digital platforms by 2013, Government will mobilise resources to ensure Zimbabwe becomes digitally compliant before then. Equally, platforms for rural information should get a boost from the redeployment of equipment sourced for the just-ended 2010 World Cup.

Our civil servants, and indeed the bulk of the general workforce, continue to bear the brunt of the economic hardships, as they have to make do with limited incomes in the face of high service charges.

I wish, once again, to thank them for continuing to exhibit great fortitude and resilience under these very difficult circumstances. I also wish to assure civil servants that Government, as their employer, has not reneged on its commitment to ensure future improvement of their conditions of service. Efforts in that direction are continuing in earnest, with the desire to ameliorate their situation as soon as it is practically possible. Addressing the issues of excessive public utility bills, and salary levels, to ensure that they too are aligned to the capacity of the economy, will also be necessary. On a general note, I wish to appeal to our corporate sector to work towards saving jobs by embarking on alternative cost cutting measures instead of resorting to labour layoffs at the first instance.

Madame President, Mr Speaker, Sir, Following ratification of the Sadc Protocol on Gender and Development in October 2009, focus is now on implementing the provisions of the protocol, notably the call for equal gender representation in politics and other levels of decision making. Government, through the Ministry of Women Affairs, Gender and Community Development, is in the process of coming up with a Women's Council Bill.

The Bill to be presented to this Parliament will facilitate the establishment of a Women's Council to co-ordinate implementation of women's empowerment programmes in the country. Government has also set up a Women's Development Fund, which will provide loans to women without the need for collateral security. The Fund was allocated US\$1 million under the current Budget, which is to be managed through the Post Office Savings Bank.

Madame President, Mr Speaker, Sir, The nation continues to enjoy peace and tranquillity, which is a critical ingredient for sustainable socio-economic development. We, therefore, wish to pay tribute to our defence and security forces for continuing to fulfil their constitutional obligation of safeguarding the country's territorial integrity and sovereignty.

To effectively discharge their mandate, the police naturally depend on the support and co-operation of other stakeholders, including the general public. It is in this regard that I wish to applaud the recently established partnership between Business and the Police to fight white collar crime. The Trafficking in Persons Bill, which will criminalise human

trafficking in accordance with the Palermo Protocol to the Anti-Organised Crime Convention, will be introduced in this august House during this Session.

On the diplomatic front, we shall seek to deepen our co-operation with all the members of the international community. The International Agreements Bill, which aims to rationalise the system of ratifying, publishing and domesticating international agreements, shall be tabled in this Parliament. It is also our fervent hope that the resumed dialogue with the European Union will yield a positive result.

On the whole, the turnaround of our economy, empowerment of our people as well as the promotion of social justice and peaceful co-existence will continue to define our engagement with the world community of nations.

Madame President, Mr Speaker, Sir, Lasting unity can only thrive in an atmosphere of open and brotherly dialogue, trust, and mutual tolerance. The Organ for National Healing, Reconciliation and Integration is spearheading this process.

In pursuance of its mandate, the organ will engage political parties, civil society, traditional leaders, churches and other related experts, in an effort to promote national healing, reconciliation and cohesion.

The unity and sense of optimism prevailing in the country under the banner of the Inclusive Government is for all of us as Zimbabweans to cherish and jealously guard. We should continue to be prompted by the sense of confidence in ourselves and a resilient faith in our national heritage. We have to remain rooted in the reality that we are the sole guarantors of our independence and economic emancipation.

This should therefore bid us to exert our collective will, intellect, and energies to the utmost in pursuit of our shared vision of a strong, democratic and prosperous truly independent Zimbabwe.

May we each play our part in fostering national healing, cohesion, unity and integration, in order to guarantee sustainable economic and social transformation of our nation.

Madame President, Mr Speaker, Sir, Allow me to now commend these matters for your consideration and declare this, the Third Session of the Seventh Parliament of the Republic of Zimbabwe, duly open.

I thank you.
