

COMMERCE AND INTERNATIONAL TRADE

Fair trade on a competitive basis

COMMERCE

Zimbabwe has a national network of about 35,000 retailers – some very large and others tiny. In addition millions of people make their living from non-formal enterprises that takes many forms. This sector of the economy is well organized and highly competitive, with many wholesalers and retailers competing for business on a daily basis.

The principal goal of the MDC will be to ensure that this sector remains highly competitive and is able to secure its requirements on a market-driven basis from domestic manufacturers and imports. Price controls will be abolished and state intervention will be limited to labour, health and safety concerns. Local authorities will be required to enforce public-health regulations and to ensure that all perishables are properly date-stamped and are not displayed for sale once their expiry dates are passed.

The non-formal sector will be protected and encouraged to operate on a basis that does not compete unfairly with the formal sector and that also satisfies public-health regulations and controls. Where possible, non-formal traders will be properly accommodated and licensed so as to ensure the orderly operation of markets, and consideration will be given to mobile markets.

All employees and employers will be required to register with the National Employment Council for the commercial sector and to adhere to agreed codes of conduct and employment conditions. The MDC government will seek expert advice on how to develop the informal sector as a priority. This will include a study of how to bring it into the social safety net for health and pension arrangements.

INTERNATIONAL TRADE

In international trade, government will pursue a policy that will foster fair trade on a competitive basis in global markets, free trade within the SADC region, and full co-operation with any existing and future pan-African trade institutions.

The World Trade Organization

The MDC government will maintain Zimbabwe's membership of the WTO and participate constructively in all its deliberations on world trade arrangements. In particular government will support efforts to reduce subsidies to agriculture in the developed states the establishment of a more open world trade system for agricultural

products. At the same time the government will seek to strengthen WTO regulations against unfair trade practices such as dumping and non-tariff barriers to trade.

COMESA and SADC

The government will maintain and strengthen its relations with the COMESA region and ensure that its own import regulations are in compliance with the COMESA regulations. However, the primary regional trade relationship for government will be that with the SADC region as a whole, and the regulations and market arrangements for SADC will take precedence. In the context of SADC, government will support regional efforts to establish a free trade zone in this trading bloc.

Bilateral Trade Agreements

Zimbabwe has special bilateral trade agreements with many countries. These will be subjected to mutual review, and existing agreements will be respected until such review is completed and new agreements signed.

AGOA

This arrangement, under which selected developing countries are permitted preferential access to the US market for a range of finished goods, will create potential for certain industries (such as clothing) and every effort will be made to exploit the opportunities that it represents. In the long term, however, the MDC accepts that the only way to build a dynamic industrial economy in Zimbabwe will be on the basis of global competitiveness.

EU-ACP Economic Partnership Agreements

These EPAs are being negotiated at present and when finally agreed will replace those established under the Lomé Convention and the Cotonou Agreements. This will pave the way for economic aid to developing countries and to trade arrangements that will give members states special access to European markets. Zimbabwe will participate fully in such negotiations and will ensure that it secures maximum advantage from the arrangements being put in place.

Zimtrade

The activities of Zimtrade will be reviewed with the objective of making it autonomous, with local exporters represented on its board and advisory panels, although it will have to operate within the policy objectives of an MDC government. As at present Zimtrade will be funded by a small levy on all foreign trade, and its annual report will be made available to Parliament and all exporters.