



## ZNCC 2013 CONGRESS RESOLUTIONS

Whereas the following were considered critical action points at the 2012 Congress:

- **Infrastructure rehabilitation** as a necessary imperative for accelerated economic growth;
- **Access to re-finance** for Financially Distressed Enterprises as a priority;
- **Leveraging ICT** being a key component of Business Growth;
- Implications of the **Interim Economic Partnership Agreement** on the Zimbabwean Economy being considered from the perspective of the role of state;

And that thereafter, the Executive Committee of the Zimbabwe National Chamber of Commerce [ZNCC] commits itself to an **Engagement Matrix** clearly defining how these resolutions would be implemented.

The 2013 edition of this Congress acknowledges the notable aspects of either gains or limitations to the implementation of **2012 Resolutions** as follows:

- **On infrastructure rehabilitation:** In residential and industrial areas; rural business growth points and commercial farming areas, there is a precipitous degradation of roads that has been blamed on either local authority incompetence or ZINARA incapacity. Tight liquidity conditions have restrained the ability of rate payers to sustain council budgets. Central government entered into a BoT arrangement with Group Five to rehabilitate the country's major highways. Other enablers like railways, water delivery and electricity continue to remain substandard due to the country's inability to access multi-lateral funding. ZESA has made serious attempts to retire its debt, while the entry of private players in the telephony market has increased tele-density. Local authorities and ZINWA has completely failed to upgrade water supply.
- **On access to refinance:** A combination of scarce long-term finance and the country's high risk perception continued to hamper business growth. Even where banks avail money, obstacles encountered are bureaucratic, political or simply a high cost. As a result, productive capacity is anchored around 45%, with some businesses closing and other cities like Mutare and Bulawayo experiencing rapid

de-industrialisation. Large volumes of money circulate outside the banking system, thus depriving business of critical investment funding. Local business that hoped to establish partnerships with foreign investors have been disappointed by policy inconsistencies relating to indigenisation.

- **On leveraging ICT:** In the intervening year, Central Government took a bold decision to liberalise import of ICT. This has encouraged the influx of computer software, hardware and infrastructure. Many schools are fully computerized while nearly all adult citizens either have access to or know someone who can afford them access to a computer, smart phone or cell phone. The private sector has responded well by inundating the ICT market with competitive products. What is left now is for major ISP players to share infrastructure so that cost of access is reduced.

It is therefore against this background that members of ZNCC, hereafter known as the Chamber, and delegates to the 2013 version of Congress entitled: ***The Road Map to the Zimbabwe's Desired Future: Defining the possibilities that deliver value*** resolved that:

1. All efforts and resources be deployed to ensure that 2012 Congress Resolutions be followed up or at the very least the new Executive Committee produces a full report to members of the progress as above.
2. In 2013, the Chamber commits itself to implement the following resolutions:

## **1. LABOUR**

- 1.1 That effective engagement of the Tripartite Negotiation Forum be resumed in the interest of all players to achieve sustainable partnerships and a stable labour force.
- 1.2 That both Central Government and ZNCC embark on a partnership that drastically reduces labor costs so that our products and services become competitive.

## **2. POLICY ADVOCACY**

- 2.1 That the Chamber immediately creates structured Public- Private dialogue forums – particularly with Councillors, Provincial Assembly members, Members of Parliament and Senators so that government defines its policies from a business perspective.
- 2.2 That any policies which emerge from such engagements and dialogue be not only communicated widely but be consistently implemented in manner that enables business to operate in a predictable environment.
- 2.3 That when policy makers conceive policies, line ministries, local and provincial authorities communicate with one another so that there is unity of purpose to minimise policy contradiction and repetition.
- 2.4 That the Chamber also widely consult its members and stakeholders before any policy recommendations are proffered.
- 2.5 That before any policies are implemented, local, provincial and central government, in partnership with ZNCC, carry out thorough investigation on possible areas of conflict and intended impact so that negative effects are timeously mitigated.
- 2.6 That whenever there is a government delegation on tour outside the country, the Chamber be represented at the highest possible level so that any protocols or agreements entered into take into account the interest of Zimbabwe business.
- 2.7 That the processing of business related documents like company registration, licences, import and export be not only de-centralised but also processed at the shortest possible time.
- 2.8 That the Chamber appreciates the importance and need for security of assets on the highways, however the proliferation of ZRP checkpoints to date is disruptive of business.

## **3. FINANCIAL CAPITAL**

- 3.1 That the Ministers responsible for Finance and Commerce & Industry enter into more substantive bilateral and multilateral agreements so that local banks can have access to affordable off-shore capital to recapitalize the manufacturing industry.
- 3.2 That whereas protectionism is not good for regional integration, the Ministers responsible for commerce and finance introduce 'smart tariffs' to restrict all manufactured clothing items; ZNCC and CZI members enter into toll manufacturing agreements with global casual and sporting brands so that the

- textile and clothing industry are resuscitated considering Zimbabwe produces relevant raw materials.
- 3.3 That both Reserve Bank of Zimbabwe and Minister for Finance review banking regulations so that the informal sector and citizens are encouraged to remit their savings into the formal banking cycle to create medium to long term liquidity and encourage domestic investments.
  - 3.4 That there be a review of the country's Bankruptcy laws
  - 3.5 That a sovereign wealth fund be created.

#### **4. INFRASTRUCTURE**

- 4.1 That the Ministers responsible for Transport and Energy; and Finance enter into more bilateral and multilateral agreements to produce ADB/Group Five type arrangements to rehabilitate more trunk roads. This also requires ZINARA and all local and provincial authorities to engage the Chamber in partnerships to re-surface roads in industries, cities, towns and residential areas.
- 4.2 That the Minister responsible for transport and energy works with Business to regulate use of more efficient lighting in commercial installations, office, domestic and street lighting. This will result in lower production costs, energy savings and increased competitiveness. More private-public partnerships must be adopted to rehabilitate power stations, encourage use of solar power or encourage new entrants to produce affordable electricity.
- 4.3 That the Minister responsible for transport and energy enter into bilateral and multilateral arrangements to rehabilitate the railway system to restore its efficiency. Where necessary, the Chamber and its business stakeholders must be encouraged to shift their commodities via the railway so that revenue is channelled into rehabilitation.
- 4.4 That ISPs and tele-communication companies share infrastructure so that broadband costs are reduced. Where necessary, the Ministers responsible for information, communications and technology review regulations and encourage competition in ICT.
- 4.5 That the Minister responsible for water enter into bilateral and multilateral agreements to increase investment in dams and water infrastructure; where possible, private-public partnerships with local and provincial authorities be encouraged to enhance water delivery for commercial, industrial and domestic use.

- 4.6 That the necessary legislation, policy and institutions for the implementation of PPPs be put in place.

## **5. COMPETITIVENESS**

- 5.1 That both central government and the Chamber not only prioritise a country competitive strategy but also embrace the culture of competitiveness, shared vision and national brand-building to inform all economic planning implementation and evaluation.
- 5.2 That there be scheduled dialogue and strategic alliance between the Chamber and local universities for enhanced access to knowledge and research outputs. This will result in increased innovation and regional competitiveness.
- 5.3 That the responsible Ministers for industry, commerce and finance implement policies that “smartly” protect and allow for incubation of local industry to recover and compete and improve capacity utilisation.
- 5.4 Encourage the concept of cluster development.

## **6. HUMAN CAPITAL**

- 6.1 That the Ministers responsible for primary and higher education review the curriculum to meet the demands of the industry and commerce in order that school dropouts and college graduates have relevant skills that make them employable. The role of Polytechnics and Universities in delivering value to Zimbabwean economy will be enhanced.
- 6.2 That both industry and commerce embark on a major campaign to re-tool human capital as a means of shaping companies and in readiness for increased regional competitiveness.
- 6.3 That the Chamber immediately establish a direct linkage with all groups that coordinate professionals in the Diaspora to tap into the huge base of skills that are home-bound and encourage citizens to return and add traction to industrial recovery.
- 6.4 Reorganizing NAMACO, to effectively operate and be driven by industry.

## **7. VALUE ADDITION**

- 7.1 That the Ministers responsible for industry, commerce, economic planning, finance and regional integration review regulations relating to exports of raw materials and commodities so that Business concentrates on adding value to enhance our exports and create more local jobs.
- 7.2 That the Ministers responsible for industry, commerce, economic planning, finance and regional integration adopt 'smart tariffs' so that the vending and selling of foreign products that can be competitively made locally is reduced.
- 7.3 That central government devolves the exploitation of national resources so that they are not only equitably distributed for the benefit of all Zimbabweans but also local communities reap maximum value.

## **8. SHARED VISION**

- 8.1 That the Chamber strengthens its cooperation with other business and professional associations to create a formidable united front that engages local, provincial and central government in Zimbabwe's economic growth trajectory and policy discourse.
- 8.2 That central government commits itself to a short, medium and long term vision that positions Zimbabwe as a credible investment, human capital and tourist destination so that the country assumes its position as a regional economic giant.

## **9. CORPORATE GOVERNANCE**

- 9.1. That the Chamber, all other professional and business associations adopt and embrace the highest standards of corporate governance so that there is a dynamic leadership renewal that enhances the grouping's mandate. This is the only way that local, provincial and central government can take Business seriously.
- 9.2. That local, provincial and central government departments also adopt and embrace the highest standards of corporate governance so that service delivery assumes world class excellence.

## 10. REGIONAL INTEGRATION

10.1 That the private sector plays a more meaningful role in the regional intergration agenda

### A COMMITTMENT TO IMPLEMENTATION

- **Resolutions**

This congress renewed its commitment to the need for all resolutions taken to and a systematic approach be adopted for their implementation. The new **National Executive Committee** will create a special task force from within and outside the ZNCC structures to ensure that resolutions are followed up, implemented and evaluated with quarterly reports to all branches. The task force will be expected to present a special 'Resolutions Progress' report at the 2014 version of the ZNCC Congress.

- **Policy**

Delegates and participants to the congress were united in that local, provincial and central government invest too much time in planning rather than implementing policy. It was suggested that ministries should be measured on the basis of how much they have helped grow the country's economy. There was unanimity on the urgency to unite in and implement public policy so that the aspirations of Business and citizens to move the country forward are realised. Someone, an authority – must be put in place to effect evaluation and accountability of public policy makers.