

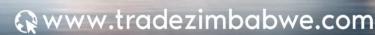
**Energising Zimbabwe's Export Growth** 

# GUIDE TO TRADE AGREEMENTS OF ZIMBABWE











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#### 1. INTRODUCTION

Welcome to the ZimTrade's Guide to Zimbabwe's Trade Agreements. Zimbabwe has various Trade Agreements with other countries and groups of countries in a Bilateral and/or Multilateral setting. This Guide seeks to provide exporters and importers with an overview of the Trade Agreements that Zimbabwe entered with other countries.

Among others, the Guide covers the following:

- Purpose and Benefits of a Trade Agreement
- Rules of Origin
- Registration for a Trade Agreement

## 2. PURPOSE AND BENEFITS OF TRADE AGREEMENTS

A trade agreement is a pact between nations to ensure mutual benefit through reduced or eliminated tariffs, quotas, and restrictions.

#### Benefits include:

- Lowered duties and import taxes.
- Enhanced market access.
- Increased competitiveness of Zimbabwean products.
- Promotion of regional integration and cooperation.

#### 3. TYPES OF TRADE AGREEMENTS

Zimbabwe participates in both bilateral and multilateral trade agreements:

# 3.1 Bilateral Trade Agreement

A Trade Agreement is classified as bilateral (BTA) when signed between two sides, where each side could be a country (or other customs territory), a trade bloc or an informal group of countries (or other customs territories). BTAs are either on a preferential basis or on the Most Favoured Nation (MFN) basis.

Most Favoured Nation (MFN) is a status or level of treatment accorded by one state to another in international trade. The term means the country, which is the recipient of this treatment must, nominally, receive equal trade advantages as the "most favoured nation" by the country granting such treatment. (Trade advantages include low tariffs or high import quotas.) In effect, a country that has been accorded MFN status may not be treated less advantageously than any other country with MFN status by the promising country.

In the case of Preferential Bilateral Trade Agreements, Zimbabwe offers/is offered better trading arrangements with the contracting partner than any other country that







does not have a BTA with either country. MFN BTA offer lesser preferences to preferential bilateral arrangements.

# 3.2 Multilateral Trade Agreement

A Trade Agreement signed by more than two sides, typically neighbouring or in the same region, is classified as multilateral. They are usually intended to lower trade barriers between participating countries and, as a consequence, increase the degree of economic integration between the participants.

#### 4. ZIMBABWE'S TRADE AGREEMENTS

#### 4.1 Bilateral

Zimbabwe currently has five (5) operational preferential bilateral trade agreements under which exporters can benefit.

- Zimbabwe/Malawi Trade Agreement Implemented in 1995, this is a reciprocal trade agreement, with 25 percent domestic value-added requirements.
- Zimbabwe/Botswana Trade Agreement Ratified in 1988, reciprocal duty-free trade on all products grown, wholly produced, or manufactured wholly or partly from imported inputs subject to a 25 percent local content requirement.
- Zimbabwe/Namibia Trade Agreement A reciprocal agreement in effect since 1992, subject to rules of origin that require at least 25 percent local content for manufactured products and that Zimbabwe and Namibia should, as exporters, be the last place of substantial manufacturing.
- Zimbabwe/ Mozambique Trade Agreement Signed in January 2004, this agreement entered into force in March 2005. Its objective is to eliminate tariff and non-tariff barriers and also to cooperate in customs and trade promotion. The agreement provides for duty free trade between the two members with the rules of origin specifying a 25 percent domestic value added.
- Zimbabwe /Chinese Trade protocol Zimbabwe has entered into productbased trade protocols with China. These trade protocols specify the phytosanitary requirements for exporting approved horticultural produce. Protocols in place are blueberries (August 2025), citrus (December 2021), macadamia and avocadoes (September 2024).

#### 4.2 Multilateral

The following are the multilateral trade agreements that Zimbabwe accented to:

COMESA Trade Protocol - The Common Market for Eastern and Southern Africa (COMESA) is a regional integration grouping of African States which have agreed to promote regional integration through trade development and to develop their natural and human resources for the mutual benefit of all their







- peoples. COMESA Member States established a Free Trade Area (FTA) on 31 October 2000 after a sixteen-year period of progressive trade liberalisation through reduction on intra-COMESA tariffs. Fourteen States (Burundi, Comoros, Djibouti, Egypt, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Sudan, Seychelles, Zambia and Zimbabwe) are participating in the Free Trade Area.
- SADC Trade Protocol Zimbabwe implemented the SADC Trade Protocol on 1 June 2001. The Protocol is an agreement between SADC Member States (refer to appendix 7.1) to reduce customs duties and other barriers to trade on products from each other. By lowering customs duties and removing other barriers to trade, the SADC Member States intend to promote economic growth and regional integration. By January 1, 2008, most customs duties (on 85% of tariff lines) had been eliminated for goods originating from SADC Member States.
- EU-ESA Interim EPA (Economic Partnership Agreement) The Interim Economic Partnership Agreement between the European Union and Eastern and Southern Africa (EU-ESA iEPA) was signed by Comoros, Mauritius, Seychelles, Zimbabwe and Madagascar in August 2009. Comoros signed in 2017. The agreement provides the five countries with elimination of all EU duties and quotas for imports from ESA states and gradual opening up of ESA markets to EU exports. The EU grants 100% duty-free and quota-free access to all imports coming from ESA countries. The access to the EU market is permanent, full and free to all products.
- UK-ESA EPA (Economic Partnership Agreement) An economic partnership agreement (EPA) is a type of free trade agreement for relationships with developing countries. The states covered by the ESA-UK EPA are Madagascar Mauritius; Seychelles; Zimbabwe and Comoros. It provides duty free and quota free access into the UK for goods originating from ESA countries. It also provides for a gradual reduction of duties in ESA countries for goods originating in the UK.
- Generalized System of Preferences (GSP) is a facility granted to developing countries (beneficiary countries) by certain developed countries (donor countries). There is no negotiation involved the preferential treatment is nonreciprocal. The principle of GSP was established on a global level at the United Nations Conference on Trade and Development (UNCTAD) in 1971. Fourteen countries offer GSP preferences: Armenia, Australia, Belarus, Canada, the European Union, Iceland, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation, Switzerland, Turkey, and the United Kingdom.





#### 5. QUALIFICATION FOR PREFERENTIAL TREATMENT

#### 5.1 RULES OF ORIGIN

Every Trade Agreement has rules that indicate how a product can be eligible for preferential treatment in duty payment. These are called the Rules of Origin (RoO). The RoO are a set of criteria that is used to confer qualification status to products that are produced within the territories of the signatory member states. The basis of these rules is that the products must have a specific local content input from the exporting country.

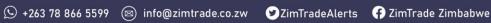
In the case of bilateral or multilateral trade agreements, goods are considered originating from Zimbabwe if:

- wholly produced or grown in Zimbabwe. These include mineral products, agricultural vegetable products, live animals born and raised in the country and products obtained from hunting or fishing conducted in the country.
- if manufactured, a product must have undergone an acceptable amount of processing and have a specified percentage of Zimbabwean (local) content where the input materials used are sourced from elsewhere (another country). An example of such a product could be a locally assembled radio or plastic injected products. For instance, using the Zimbabwe/Botswana preferential bilateral trade arrangement, if a Zimbabwean business wishes to export a consignment of radios to Botswana, the products may or may not qualify under the agreement depending on where and how the radios were manufactured. If the radios were initially imported in a finished state from any other country, they will not qualify since there was minimal Zimbabwean input or content except for packaging perhaps. If some components of the radios were produced in Zimbabwe or if the assembling of the radios was done in Zimbabwe they may qualify, depending on the level of local input and value addition.

#### 5.2 LOCAL CONTENT REQUIREMENT

The definition of local content requirement is specific to each individual Trade Agreement, and it is under this primary criterion that manufactured goods/products may or may not qualify. A careful reading of the rules and regulations of each agreement is vital. In the event the products were manufactured in two or more countries, origin is obtained in the country where the last substantial economically justified working or processing is carried out. In any agreement there is a list of simple processes, which are not considered to fulfil the requirements of the product having undergone an acceptable amount of processing.

Under some agreements such as, the interim Economic Partnership Agreement and COMESA Free Trade Area, exporters can benefit from single transformation which





allows importation, from third countries of inputs such as textiles (fabrics) and leather to manufacture finished products such as garments, shoes, bags for export.

# 6. REGISTRATION REQUIREMENTS

# 6.1 Who is eligible for registration?

- Zimbabwean registered companies involved in manufacturing of goods.
- Zimbabwean registered companies involved in merchandising, distribution and commodity broking.

If application is successful ZIMRA gives a registration number to be quoted on all Certificates of Origin each time the products are exported.

# **6.2 Exporter Registration Requirements**

- A formal application letter (on company letter head/logo) by the company to be registered under the agreement.
- A certified copy of certificate of incorporation.
- Certified copy of CR14
- Certified copy of CR6
- A valid tax clearance certificate (ITF263).
- List of contact persons including their contact numbers and physical addresses.
- A list of products intended to be exported (tariff headings mandatory).
- List of raw materials used and where they are sourced from (tariff headings) mandatory).
- A detailed step by step description of the manufacturing process for each product.
- A sketch plan of your factory showing machinery layout.
- A certified copy of title deeds or lease agreements for the premises together with any copies of utility bills incurred in the last 3 months.
- A factual cost analysis of the products to be exported.

## 6.3 Commodity Brokers, Merchants and Distributors

- A formal application letter by the company to be registered under the agreement.
- A certified copy of the certificate of incorporation.
- A valid tax clearance certificate (ITF263).
- List of contact persons.
- A list of products intended for export.
- A letter from the manufacturer products authorizing of the distributor/merchant/broker to export their product(s).
- Manufacturer's registration letter to export the particular products for wzhich they are seeking registration.











# 6.4 Proof of Origin needed in the importing country

- A Certificate of Origin certified by ZIMRA-Customs & Excise will be submitted to the Customs of importing country on importation of Zimbabwe originating goods.
- For exports to the EU, a Zimbabwean company will not need to have certification, as registration with ZIMRA under the Registered Exporter System (REX) will suffice.

# 7. CONTACT DETAILS

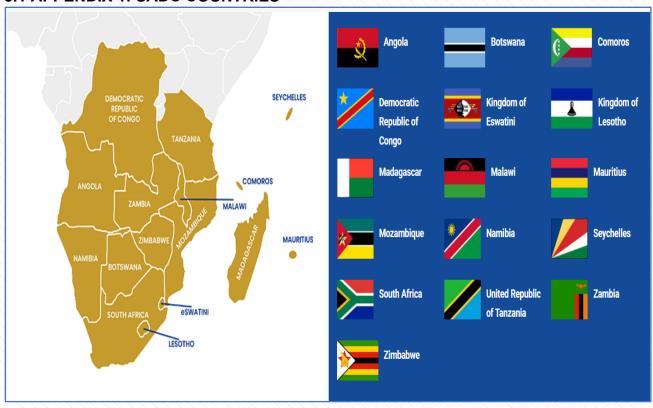
Exporters intending to export under these trade agreements should apply to the Commissioner Customs & Excise through their nearest Zimbabwe Revenue Authority (ZIMRA) offices.



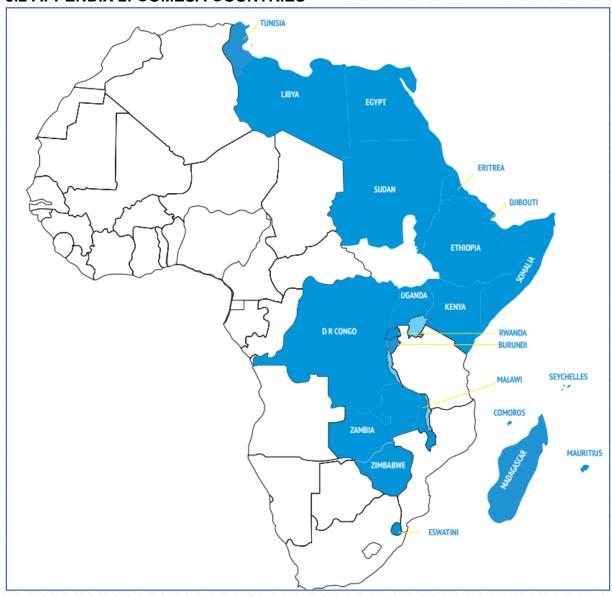


# 8. APPENDICES

# **8.1 APPENDIX 1: SADC COUNTRIES**



# **8.2 APPENDIX 2: COMESA COUNTRIES**





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# 8.3 APPENDIX 3: EUROPEAN UNION

The European Union is a group of 27 countries in Europe



# 8.5 Sample of Certificates of Origin

# 8.5.1 **COMESA**

	COMESA	A CERTIFIC	CATE	OF ORIGIN	w 0033594	
	Exporter (Name & Office address) Exportatour (nom et addresse commerciale) Exportador (nome e andersoo comercial)				Het. No. No. de ref No. de ref	
	Consignes (Name & Office address) Destinataire Inom et adressa commerciale) Destinatario (nome e endereco comercial)		COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA  MARCHE COMMUN DE L'AFRIQUE DE L'EST ET DE L'AFRIQUE AUSTRALE			
1	Country, Group of countries in which the products are originating from Pay ou groupe de pays dont les produits sont originaires País, ou Grupo de paises origário do produto			MERCADO GOMUM CERT	DA AFRICA ORIENTAL IFICATE OF ORIGIN IFICAT D'ORIGINE IFICADO DE ORIGEM	E E AUSTRAL
F	Particulars of Transport Renselgosments concernant le transport informacioes relatives ao transporte		5. For	Official use - Reserv licial - Reservado pan	e a l'usage a uso official	
d d	Aarks and Numbers; number and kind of package, lascription of goods; Marques et numero et types l'emballages; dasignation des marchandises; Aarcas e numeros; quantidas e natureza das mbalagens; designaceo das mercadorias	7. Customs Teriff No. Teriff dousnier No. Direito adusneiro No.	145	8. Origin criterion (Bee Overleaf); Critere d'origine (voir su verso); Criterio de Origen (ver no verso)	9. Gross weight or other quantity: Poids brut on sutra quantite: Peso bruto ou outra medida	10. Invoice No. No. De Facture Facture No.
Di Pri L. de an Je de to	ECLARATION BY EXPORTER/PRODUCER/SUPPLIER* ECLARATION DE L'EXPORTATEUR/ RODUCTEUR/FOURNISSEUR ECLARACAO DO EXPORTADOR/ RODUCTOR/FORNECEDOR*  The undersigned, hereby declare that the above etails and statements are correct, that all goods re produced in		Nou sont Cert origi	hereby certified that s certifions que les r d'origine ica-se que os produ- narios de	D'ORIGINE O DE ORIGEM the above-mentioned origin. narchandises ausment	ioness so thority signess





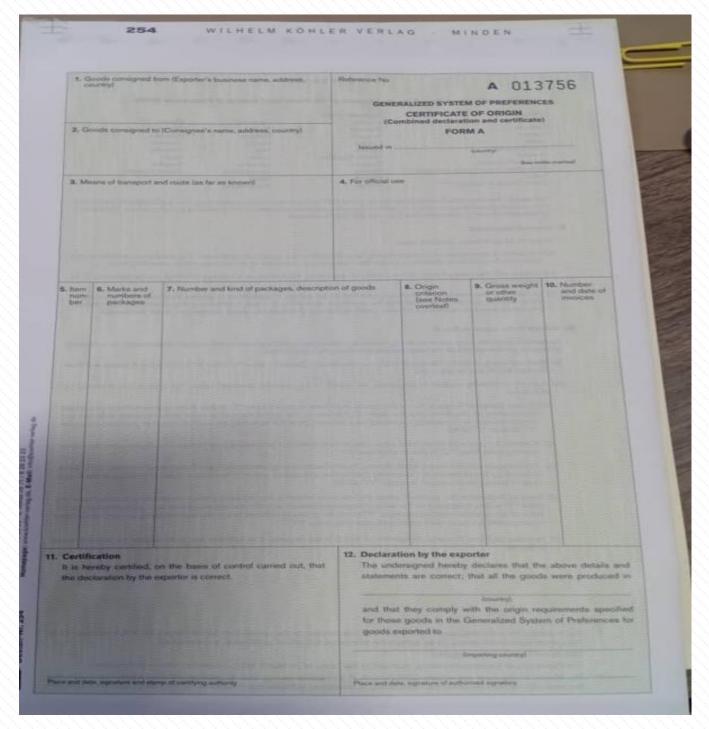


#### 8.5.2 SADC





# 8.5.3 GSP

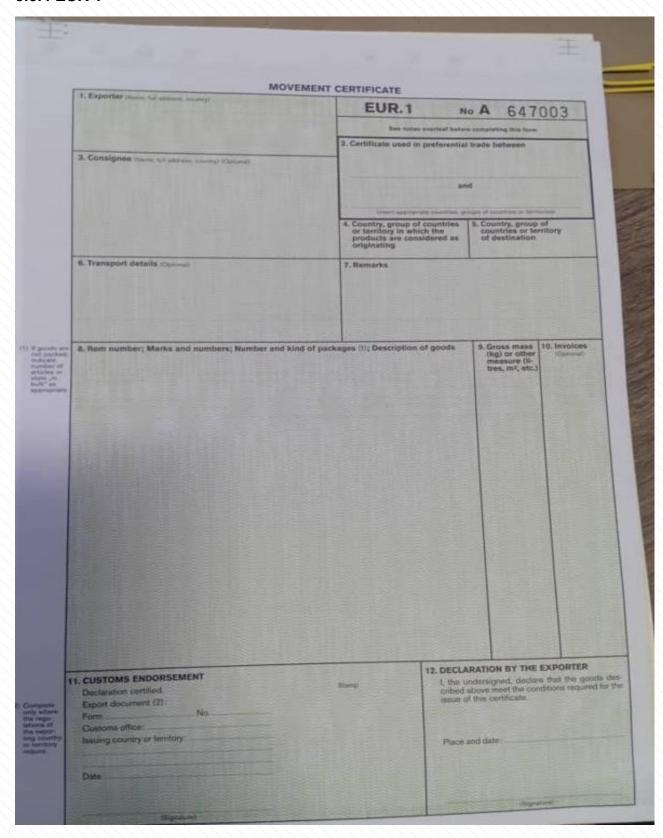








## 8.5.4 EUR 1



# 8.5.5 ZIMBABWE MOZAMBIQUE



	ZD-FRA		009991	
Registration Number:	3. Country Ref. No. (e.g. ZW 000006)  Trade Agreement Acordo Preferencial do Convercio Between  Zimbabwe and Mozambique CERTIFICATE OF ORIGIN CERTIFICATE OF ORIGIN CERTIFICATE OF ORIGIN  4. Particulars of transport: Detutinis do transporti:  5. For official use only			
Consignee (Name and Office Address)     Consigned (Name a footness)				
6. Marks and numbers; number and kind of packages, description of goods; https://de.com/controls/learnings/scription/descript	7. Customs Tarrif No. Codgo Panan	B. Origin Criterion (See overleaf) Criterio de origina (Vaga una anexo)	9. Gross weight or other quantity case swetthers Peas Store	10. Invoice No. and date Date with off tacture (Odcorne)
11. DECLARATION BY EXPORTER/SUPPLIER Declaração de Exportadoris orrectedor  I, the undersigned, declare that the goods file absence assentado, declare que a mercadoria described above meet the conditions required for describa acons reune as pendodes reconstante para he issue of this certificate, and are originating in emusade deste certificado com origina em  (Country) (País)  Place and date:	Origin S		Export Dot Occurrento ne Date: Customs Estance Ao Country Pale Date: Date:	Office:
Signature Assertatura	Decionate	e of Customs or ( ed Authority Allandegas ou Cultus Auton		











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