PARLIAMENT OF ZIMBABWE

Tuesday, 8th September, 2026

The National Assembly met at a Quarter-past Two o'clock p.m.

PRAYERS

(THE HON. SPEAKER *in the Chair*)

ANNOUNCEMENTS BY THE HON. SPEAKER

NON-ADVERSE REPORT RECEIVED FROM THE PARLIAMENTARY LEGAL COMMITTEE

THE HON. SPEAKER: I have to inform the House that I have received a Non-Adverse Report from the Parliamentary Legal Committee on the Postal and Telecommunications Amendment Bill [H. B. 10, 2025].

ROMAN CATHOLIC CHURCH SERVICE

THE HON. SPEAKER: I also have to inform the House that there will be a Roman Catholic Mass on Wednesday, 9th September, 2026 at 1200 hours in the Special Committee Room Number 1. All Members are invited.

Hon. Matangira having given a notice of motion.

THE HON. SPEAKER: Thank you very much Hon. Matangira. Where is our Mines Bill?

HON. MATANGIRA: Thank you very much Mr. Speaker. The Mines Bill had an Adverse Report from the Parliamentary Legal Committee. We have been telling the Hon. Minister to come to Parliament and rectify that Adverse Report. He has not turned up.

THE HON. SPEAKER: Please, follow it up urgently. It is long overdue since 2016.

HON. MATANGIRA: Thank you so much Mr. Speaker. We will do so.

THE HON. SPEAKER: Yes, investors want to come and invest in a legal framework that is clear and gives them comfort for investment.

HON. MATANGIRA: Thank you Mr. Speaker.

THE HON. SPEAKER: There has been some request for points of national interest. There is Hon. Nyamupinga, you are there today. Last week you put down your name and you know it will be found.

HON. KARIMATSENGA-NYAMUPINGA: Yes, Mr. Speaker, I am here today. What happened last week is, my point of national interest, when I showed it to the Chief Whip the other day, I thought I was going to present it. It was too long. Through his advice, I had to go and edit it. When I sent my message to the Deputy Chief Whip to say, 'remove my name, I have to edit this to fit within the time that is allowed', I think there was just miscommunication, not that I just kept quiet and absented myself. No, it was not that, Mr. Speaker.

THE HON. SPEAKER: Appreciated. Please proceed.

HON. KARIMATSENGA-NYAMUPINGA: Thank you very much. I rise on a point of national interest concerning the restoration of football in Zimbabwe, following the recent homologation of the National Sports Stadium. I wish to express my profound appreciation to His Excellency, President Dr. Emmerson Dambudzo Mnangagwa, for fulfilling his commitment to the people of Zimbabwe that football would return to the National Sports Stadium. This is not simply the opening of a stadium. It is the fulfilment of a promise and a demonstration of Government's commitment to sports development.

I also commend the Hon. Minister of Sport, Recreation, Arts and Culture, Lieutenant-General (Rtd.) Anselem Nhamo Sanyatwe, for his leadership in ensuring the restoration of our national sporting infrastructure and the Hon. Minister of Finance, Economic Development and Investment Promotion, Prof. M. Ncube, for providing the necessary financial support. Mr. Speaker, I further place on record our appreciation to Sakunda Holdings Chairman, Senator Dr. Kudakwashe Tagwirei for his contribution towards the rehabilitation of the National Sports Stadium. This is a commendable example of the private sector responding to a national call. As we celebrate this achievement, we must consider how to sustain this momentum.

I call upon the Hon. Minister of Finance, Economic Development and Investment Promotion to bring before this House a comprehensive framework of tax incentives for businesses and individuals who contribute to sport, recreation, arts and culture development. Such incentives, tax deductions, rebates or credits would encourage investment and ensure proper maintenance of our assets. When patriotic Zimbabweans in business invest in national development, we must recognise and support them through enabling policies and not just celebrate after the fact. Let us use the return of football as a beginning not the end. Let us restore our infrastructure, revive our football, empower our youths, promote our arts and preserve our cultural heritage. *Nyika inovakwa nevene vayo.* I thank you Mr. Speaker Sir.

THE HON. SPEAKER: Thank you very much Hon. Karimatsenga-Nyamupinga.

HON. KARIMATSENGA-NYAMUPINGA: Mr. Speaker Sir, I just wanted to say something before I read my point of national interest. When I met you at the Showgrounds during the Agricultural Show, you said to me, “You come from Mount Darwin”. I said Mr. Speaker, have you forgotten me? It really disturbed me and I wanted to say, Mr. Speaker, me coming from Mount Darwin, have you forgotten me, thank you Mr. Speaker.

THE HON. SPEAKER: People who come from Mount Darwin are my fellow Zimbabweans and I am told there is a lot of gold there. So, you could be someone assisting those that may want to dig up the grounds there and get some gold. Thank you very much, I had not forgotten you.

HON. BAJILA: Good afternoon Mr. Speaker Sir. I rise on a point of national interest to recognise the month of September as Suicide Prevention Awareness Month. A global observance that calls attention to a crisis, that cuts across age, gender and social circumstances. Suicide affects children, young people, adults, men and women and its consequences are felt by families, workplaces, schools and communities long after a life has been lost. It is therefore a matter that warrants our attention in this House, not only as a health concern but as a national social concern.

Zimbabwe is confronting troubling indications of this crisis. In Bulawayo Province, police records reported 21 cases between June and November 2024 alone, and 20 of them involved men. More recently, the Government has acknowledged growing concern over suicide among children and teenagers. These developments remind us that vulnerability takes different forms and that no age group or gender can be considered outside the conversation on suicide prevention. Behind these reports are circumstances that are often complex and deeply personal. Financial hardships, family and relationship difficulties, substance abuse, violence, bullying, grief, isolation and mental health challenges can converge in ways that leave individuals feeling very much unable to cope.

Mr. Speaker, distress is frequently concealed by stigma and by individuals feeling unable to cope. This concealment and stigma come from the expectation that people should simply endure their difficulties in silence. This makes awareness important but more importantly, it calls for a culture in which people feel able to speak out, to seek support, and to be heard without judgment. As we observe this month, let us resist the temptation to regard suicide as a series of isolated tragedies. Each case is a reminder of the fragility of humans' wellbeing and of the value we place on life as a society. Let September therefore, be a moment of collective reflection on how we recognise distress, how we respond to those who are struggling and how we ensure that compassion does not arrive only when it is too late. I thank you.

MOTION

BUSINESS OF THE HOUSE

HON. TOGAREPI: I move that Orders of the Day, Numbers 1 to 13 be stood over until Orders of the Day Numbers 14 and 15 have been disposed of.

HON. C. MOYO: I second.

Motion put and agreed to.

MOTION

APPROVAL OF THE ESTABLISHMENT AGREEMENT OF THE INTERNATIONAL MANGROVE CENTRE (IMC)

Fourteenth Order read: Adjourned debated on motion on the approval of the establishment Agreement of the International Mangrove Centre (IMC).

Question again proposed.

HON. MATEMA: Thank you very much Hon. Speaker. I rise to react to the presentation that was made by the Hon. Minister of Environment, Climate and Wildlife with respect to the approval for Ratification of the Establishment Agreement of the International

Mangrove Centre (IMC). The Establishment Agreement creates the International Mangrove Centre (IMC) as an independent non-profit inter-governmental organisation headquartered in Shenzhen, People's Republic of China. It operates as a regional initiative under the RAMSAR Convention on Wetlands to which Zimbabwe is a contracting party in the current share. On November the 6th 2024, Zimbabwe signed the agreement as a founding signatory along with other member nations to promote global scientific, technical and environmental cooperation.

While Zimbabwe does not have coastal mangrove forests, it possesses vast and ecologically critical inland wetland ecosystems. Mangroves are themselves a specialised category of wetlands, the core ecological principles governing their conservation, restoration and sustainable management apply directly to Zimbabwe's freshwater wetlands, rivers and sponges.

Signing this agreement connects Zimbabwe to a global network of scientific expertise and environmental governance stemming from our leadership in hosting the RAMSAR Convention in Victoria Falls COP15.

The primary mission of the IMC is to strengthen global co-operation and joint action for the protection, restoration and sustainable use of mangroves in adjacent wetlands. It directly supports the implementation of key international commitments, including the RAMSAR Convention, the Kunming- Montreal Global Biodiversity Framework, the Paris Agreement and the 2030 Agenda for Sustainable Development.

The core objectives of the IMC are to:

a. Facilitate collaborative research projects and exchange technical expertise regarding wetlands restoration and ecosystems.

b. Provide member states with access to modern scientific tools, conservation technologies and capacity-building programmes.

c. Develop joint communication networks, educational programmes and public awareness campaigns on wetland protection.

d. Support and fund on-ground pilot conservation, restoration and capacity building initiatives.

Governance Structure:

The IMC is governed through a transparent, two-tier administrative structure.

a. The Council

b. The Secretariat

Financial and Legal Obligations:

To allay any fears regarding financial risks, it is important to state clearly that ratifying this agreement places no compulsory financial burden on Zimbabwe.

The co-operational and staffing costs of the IMC Secretariat are fully funded through baseline operational funds provided by the Government of the Republic of China as the host country.

Financial contributions from Member States to both the regular baseline and the dedicated special funds for conservation pilot projects are entirely voluntary.

Zimbabwe will not be required to pay mandatory annual subscription fees.

Ratification enables Zimbabwean research institutions, non-Governmental organisations and Government agencies to submit project proposals to access funds from the IMC Special Fund. This fund is managed independently by major donors specifically to support practical conservation, restoration and capacity building projects.

The agreement respects national sovereignty. It assigns the IMC full legal personality within Member States to enter into contracts and hold property, but does not create domestic legislation without Parliament's consent. Each country designates a national focal point agent to coordinate activities.

Should Zimbabwe at any point determine that the partnership no longer serves its national interests, Article IV allows any Member State to withdraw simply by providing six months' notice in writing.

There are no punitive legal or financial penalties for withdrawal, save for fulfilling any prior contractual commitments already executed, Mr. Speaker Sir, alignment with NDS 2, Vision 2030 and beyond. Ratifying the IMC Establishment Agreement provides Zimbabwe with direct tools to achieve key targets under NDS 2 and the national trajectory towards Vision 2030.

In line with Vision 2030's commitment to sustainable resource management, membership grants access to modern scientific equipment, technical expertise and advanced monitoring technologies.

These resources will directly strengthen the protection of wetlands, forests and grasslands, building climate resilience against droughts and extreme weather.

Wetlands serve as natural water purification systems and sponges that prevent flooding and recharge groundwater supply. Restoring degraded wetlands through IMC pilot projects safeguards rural and urban water security, directly supporting agricultural productivity and community livelihood.

Participation promotes collaborative research, university exchange programmes and specialised training for national environmental management agencies, forestry officers and local research bodies.

Following Zimbabwe's successful hosting of RAMSAR COP 15 in Victoria Falls, ratifying the IMC Agreement will solidify our position as a global leader in wetland conservation and open new avenues for environmental cooperation and resource mobilisation.

Recommendations

Having considered the strategic, ecological, financial and legal elements of the IMC, the Portfolio Committee on Environment, Climate and Wildlife recommends that the National Assembly approves the Agreement for ratification:

To maximise the benefits of this partnership, the Committee makes the following specific recommendations.

Parliament should expedite the approval process to enable the Minister of Environment, Climate and Wildlife to formally deposit the Instrument of Ratification with the Secretariat, securing Zimbabwe's status as a full voting member of the Council.

Upon depositing the Instrument of Ratification, the Ministry should immediately designate a competent national focal agent to coordinate all IMC activities, project proposals and information dissemination across relevant Government departments, universities and research institutions.

The designated focal point agents should prioritise drafting high-impact project proposals to restore and protect Zimbabwe's inland wetlands, river basins and sponges to draw resources from the IMC Special Fund.

Tertiary institutions and research bodies in Zimbabwe should be linked directly to the IMC network to access technical training, modern scientific equipment, joint research platforms and exchange programmes.

The Ministry should submit annual progress reports to Parliament detailing technical capacity gained, pilot funding received and concrete achievements in wetland management resulting from the international partnership.

In conclusion Mr. Speaker Sir, ratifying the Establishment Agreement of the International Mangroves Centre IMC represents a zero-risk, high-reward strategic opportunity for Zimbabwe. The Agreement carries no mandatory financial burden or sovereign risks while unlocking critical international expertise, technical transfer, research opportunities and dedicated funding for wetland and natural resource management.

Furthermore, participation directly reinforces Zimbabwe's leadership in global environmental diplomacy following our successful hosting of RAMSAR in Victoria Falls. By leveraging this partnership, Zimbabwe can protect its essential water systems, safeguard local livelihoods, build climate resilience and advance the core goals of NDS2 and Vision 2030.

The Committee therefore urges this august House to approve the ratification of the Establishment Agreement of the IMC. I so submit Mr. Speaker Sir.

HON. TOGAREPI: Thank you Mr. Speaker. I want to debate. I thought those in the committee were going to debate. From the Chairman of the Committee's presentation, you can tell that Zimbabwe will benefit by ratifying these instruments. It is critical for this country that we are driven by global trends, especially in issues that are related to the environment, climate and many other issues that are developing and are found to be affecting our people's livelihoods. From what the Member presented, I would want to urge Hon. Members to ratify this protocol. Thank you.

THE MINISTER OF ENVIRONMENT, CLIMATE AND WILDLIFE (HON. DR. E. NDLOVU): Mr. Speaker, I would like to thank the Chairman of the Committee for the well-documented benefits to the country, especially that we are the Chair of the 173 countries that belong to the Convention. This will give us a mark and good position showing that we are good leaders in terms of managing our wetlands in cooperation with other countries. We will benefit quite a lot from this arrangement. Our universities and our colleges will also benefit. Our children will benefit from the research work that will come out of this agreement. I so submit and commend Parliament and the House of Assembly to go through this document and assess it seriously. I promise that as a Ministry, we will continue to come and give a report back to the House on the status of this agreement.

Motion put and agreed to.

HON. TOGAREPI: Mr. Speaker, as indicated earlier, I move that we go to Order Number 15.

MOTION

APPROVAL OF THE AGREEMENT UNDER THE UNITED NATIONS ON THE CONVENTION ON THE LAW OF THE SEA ON THE CONSERVATION AND SUSTAINABLE USE OF MARINE BIOLOGICAL DIVERSITY OF AREAS BEYOND NATIONAL JURISDICTION (BBNJ)

Fifteenth Order read: Adjourned debate on motion on the Approval of the Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction.

Question again proposed.

HON. MATEMA: Thank you very much Mr. Speaker.

1.0 INTRODUCTION

I rise to present the reaction of the Portfolio Committee on Environment, Climate and Wildlife with respect to approval for Ratification of the BBNJ Agreement, the High Seas Treaty. The Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction, commonly referred to as the BBNJ Agreement or the High Seas Treaty, adopted at the United Nations in June 2023, the BBNJ Agreement is a legally binding international instrument designed to protect marine life across nearly two-thirds of the world's oceans, the high seas and deep seabed that lie beyond any single country's international waters. Zimbabwe officially signed the BBNJ Agreement at the United Nations on March 5th, 2025, following approval by Cabinet in June 2025. This report seeks Parliament's approval for ratification. Though Zimbabwe is a landlocked nation, global environmental systems are deeply interconnected. Ocean health directly shifts global climate patterns, rainfall and weather cycles that sustain our domestic agriculture, environment and the economy. By ratifying this treaty, Zimbabwe secures a legal voice and concrete rights in the governance of the global commons.

2.0 Objectives of the Agreement

The overall purpose of the BBNJ Agreement is to ensure the long-term conservation and sustainable use of marine biological diversity in areas beyond national jurisdiction. It fills vital gaps in global environmental governance by addressing pressures such as climate change, ocean acidification, pollution and resource overexploitation through an ecosystem-based approach. The specific objectives of this Agreement are to:

(a) Establish mechanisms for the equitable sharing of monetary and non-monetary benefits from marine genetic resources, specifically recognising the interests of landlocked developing countries,

(b) Conserve and restore ecosystems through representative networks of high seas marine protected areas.

(c) Ensure that planned human activities on the high seas undergo strict environmental impact assessments to avoid significant environmental damage.

(d) Mandate the transfer of marine technology, data and scientific expertise to developing States, enabling them to participate fully in environmental governance.

3.0. Key Pillars of the Agreement - to understand the foundation of the High Seas Treaty, it is helpful to look at its core architecture. The Agreement rests on four main pillars, each designed to ensure that the ocean's vast resources are both protected and shared equitably among all nations.

The first pillar governs marine genetic resources, including access and benefit sharing. The second pillar focuses on areas-based management tools, including marine protected areas. The third pillar is on environmental impact assessments and the fourth pillar is on capacity building and the transfer of marine technology. Underpinning these four pillars are foundational guiding principles that steer every aspect of the treaty's implementation. These include the precautionary principle acting to prevent environmental harm even when full scientific certainty is lacking.

The ‘polluter pays principle’ holds entities accountable for environmental damage, an ecosystem approach that looks at global ocean health holistically, an intergenerational equity to preserve marine life for future generations and an explicit treaty-wide recognition of the special needs and rights of landlocked developing countries.

4.0. Governance Structure of the Agreement - To help Members of Parliament easily understand how the High Seas Treaty operates, its governance structure can be broken down into clear interconnected bodies that work together transparently and collaboratively. At the top of the governance system sits the Conference of Parties, commonly known as the COP. This serves as the treaty's supreme decision-making body where every country that ratifies the agreement holds an equal vote. The COP oversees how the treaty is carried out, approves operational budgets and makes final decisions on establishing new marine protected areas and setting fair rules for resource sharing. Madam Speaker, because every Member State gets a voice, Zimbabwe is guaranteed an equal seat at the table to vote on global environmental policies.

To ensure all decisions are grounded in sound evidence, the COP is supported by a dedicated scientific and technical body composed of multi-disciplinary experts. This advisory body provides independent scientific assessments on conservation proposals, establishes standardized guidelines for environmental impact reviews and monitors ocean health. This body ensures that high seas decisions are driven by rigorous scientific data rather than political or commercial interests.

Madam Speaker, resource equity is overseen by an access and benefit sharing committee. To bridge the technological gap between developed and developing nations, the treaty creates a capacity-building and transfer of marine technology committee. Rather than punishing Member States, the treaty relies on an implementation and compliance committee.

Finally, all day-to-day operations are tied together by the clearing house mechanism. This is a centralized open-access digital platform that functions as the treaty's global scientific engine. It allows researchers, institutions and governments across the world to accomplish expedition plans, share raw scientific data freely, access marine sequence databases and match technical needs with international funding opportunities. Through this digital portal, Zimbabwean institutions can access cutting-edge technology directly from their offices and homes.

5.0. Financial and legal obligations. To address any lingering concerns regarding potential burdens on this nation, it is essential to highlight that the High Seas Treaty is structured specifically to support developing and landlocked countries, not to penalize them.

5.1. Financial Obligations. Ratifying the agreement will not impose health financial demands on Zimbabwe. A country's assessed contributions to the treaty's operational budget are calculated using standard United Nations formulas that account for economic size and national capacity. As a result, Zimbabwe's financial contribution will be minimal. Far from being a financial drain, ratifying the treaty actually unlocks significant external funding opportunities. The agreement creates a dedicated Special Voluntary Trustee Fund designed specifically to cover travel and logistics costs, ensuring delegates from developing nations can attend and participate at conference of parties meetings without straining domestic budgets.

Additionally, the treaty establishes a robust financial mechanism funded by developed nations alongside revenues generated from the commercial use of high seas resources. This mechanism provides direct grants to developing countries to fund scientific research, build technical infrastructure and train local experts.

5.2. Legal Obligations. Madam Speaker, from a legal standpoint, the treaty fully respects national sovereignty because it applies exclusively to areas beyond national jurisdiction, the high seas; it exerts zero control over domestic laws, sovereign lands and internal waters. Zimbabwe's primary legal obligations centre on active international cooperation. This involves participating in annual reporting, sharing relevant scientific data through the online clearing mechanism and aligning broad national environmental goals with global conservation efforts. Furthermore, the treaty's compliance system is designed to be friendly and facilitative rather than punitive. It operates on a module of constructive assistance rather than enforcement. If a nation faces challenges in meeting its commitments, the compliance committee works collaboratively to provide support, dialogue and technical help rather than imposing sanctions or financial penalties.

6.0. Alignment with National Vision NDS 2, Vision 2030 and beyond. To help members clearly see the direct national advantages, ratifying the BBNJ Agreement directly drives Zimbabwe's overarching development objectives under the NDS 2 and Vision 2030.

6.1 Strengthening Climate Resilience,

6.2 Unlocking Global Biotechnology and Medical Innovation,

6.3 Accelerating Technology Transfer and Research Capacity,

6.4 Asserting strategic rights and global leadership. As a landlocked nation, ratifying this agreement ensures Zimbabwe fully exercises its legal rights on the global stage. The treaty breaks the historical dynamic where wealth, coastal and industrialised nations monopolised ocean wealth simply because of their geographical access. Through joining, Zimbabwe ensures that landlocked developing nations retain equal decision-making power and secure their rightful share of global economic, environmental and scientific progress.

Committee Recommendations

Having carefully examined the contents, strategic advantages and zero financial risks of the treaty, the Portfolio Committee on Environment, Climate and Wildlife makes the following specific recommendations to the House.

(a) The National Assembly should approve the ratification of the BBNJ Agreement to ensure Zimbabwe formally deposits its instrument of ratification and secures its full voting rights in upcoming decision-making bodies.

(b) Upon depositing the instrument of ratification, the Ministry of Environment, Climate and Wildlife should lead an inter-ministerial taskforce, including the Ministry of Higher and Tertiary Education, Innovation, Science and Technology Development, to draft a national roadmap for taking full advantage of the treaty's capacity-building, research funding and technology development and transfer opportunities.

(c) The Ministry should commit to submit an annual progress report to Parliament outlining the specific benefits accrued to local researchers, academic institutions and national climate modelling initiatives under the treaty's clearing house mechanism.

In conclusion, the BBNJ Agreement presents a historic step forward in global environmental governance, ensuring that the vast ocean resources belonging to all humanity are protected and shared fairly. For a landlocked nation like Zimbabwe, joining the treaty is not merely a symbolic gesture. It is a proactive, strategic move that protects our national weather patterns, safeguards domestic agriculture and guarantees our researchers equal access to cutting-edge scientific innovations. Approving its ratification presents only benefits for our country because the treaty imposes no heavy financial liabilities or territorial risks. It firmly aligns with our national priorities under NDS2 and Vision 2030 while asserting Zimbabwe's rightful role as an active, equal player on the international stage. I therefore move that this august House approves for the ratification of the BBNJ Agreement. I so submit.

HON. MASVINGISE: I rise in total and unwavering support for the motion moved by the Hon. Minister for this august House to approve the ratification of the BBNJ Agreement. A question that many may ask and indeed one that has been raised is why Zimbabwe, a landlocked nation, should concern itself with a treaty governing the world's deep oceans. The answer is simple, the oceans belong to no single nation, yet they sustain us all. Marine genetic resources in international waters do not belong to coastal states alone. Under Article 11 of this treaty, access, research and benefit-sharing rights apply to all parties irrespective of their geographical location. Ratifying this agreement ensures that Zimbabwe universities, research institutions and future biotech ventures are legally entitled to participate in and benefit from research on high seas genetic material on an equal footing with coastal nations.

Furthermore, under Articles 14 and 52, any monetary or non-monetary benefits derived from commercialised deep-sea discovery, whether new pharmaceuticals, industrial enzymes or medical compounds must be shared fairly through a global fund. Thus, Zimbabwe is guaranteed access to this wealth regardless of our lack to coastline. This treaty explicitly protects our national interests. Landlocked developing countries are repeatedly named as a priority group, entitled to targeted capacity building, technical support, equipment and direct access to scientific data. Crucially, ratifying this agreement gives Zimbabwe a real seat at the table. As a party, we gain voting rights in the Conference of the Parties to shape global ocean governance, climate-linked policies and environmental protection issues that directly impact our domestic weather patterns, agricultural output and food security.

Finally, the financial burden on our Treasury is very minimal. The treaty is funded through global trust funds and standard UN formulas, not heavy national levies. Instead of costing us, it opens preferential funding and simplified grants for our national institutions. This is a zero-risk, high-reward opportunity to secure scientific pathways, economic rights and global leadership for our nation. I urge all Hon. Members of this House to support the approval for ratification of this agreement.

HON. MUSHORIWA: Thank you for giving me the opportunity to add one or two issues pertaining to this BBNJ agreement. In principle, the signing by Zimbabwe to this agreement may be a noble thing but what I am not sure is the urgency of the ratification of this agreement. I say this bearing in mind the fact that key countries have refused not only to sign but other key States that have a lot of bearing within the oceans are likely not to ratify. You look at countries like Iran, Russia and Venezuela, they have refused to sign this agreement. Big countries like the USA are unwilling to ratify this agreement. The reasons are very simple. I am not going to dwell much on the case of Zimbabwe being a landlocked country. My major challenge with this agreement is that there is no ocean policy. The United Nations does not have levy or a force to monitor the huge oceans. We need to understand that we are talking of half of the planet which has oceans. Apprehending people who illegally fish or engage in polluting activities is going to be very difficult. Madam Speaker, if you read the agreement, you will find something contradictory. The treaty is not supposed to undermine existing ocean groups. We know that there are several agreements about these oceans, especially among the superpowers. This is why Russia and

Iran refused to sign because they think that it encroaches on some agreements that already exist.

My question therefore to the Minister is, if this agreement does not undermine some of the bilateral or other agreements that have been done between nations or groupings, what is it the United Nations is going to do? What advantage is going to accrue because at the end of the day, countries like Zimbabwe will end up not benefiting anything?

Then the other issue which I also think is tricky and important, is that this agreement does not talk of investments, proper investments even by the United Nations. I say this because rich nations like European nations, Russia, China have the expensive technology to explore the deep ocean, yet poor nations do not have the capacity. I do not think even Zimbabwe will be able to put a single ZiG towards that. The question, therefore is, are we not having a situation where the rich nations will continue to benefit at the expense of poor countries?

The other aspect that is also there which I also believe needs to be looked into very carefully is that I think we are aware that recently

Togo put a good-spirited fight to have the proper world map, where Africa now in that world map resembles its hugeness. You then realise that countries like the United States of America, China, Russia and India fit into Africa, leaving some other spaces. The problem is that inasmuch as Africa is big, Africa has been slow in terms of taking advantage even of the oceans. You then realise that the Americans, the Chinese and the Russians do have some other agreements, literally of partitioning these oceans and Africa has not been on that table. The fact that the United Nations is coming up with this agreement now, after all those agreements, the United Nations then comes cowardly and says we are not going to interfere with existing agreements. It tells you that Africa will remain outside the benefits of the deep ocean.

We continuously have the United States of America, Russia, China and other countries that have invested money in this, benefiting while Africa is not benefiting. My view, Madam Speaker, is that I would have loved a situation where Zimbabwe would have signed this agreement and possibly then take a back seat. Zimbabwe should wait and see how other countries like the United States, Russia, Iran, Venezuela and Iran are going to sign this agreement. Otherwise, just being seen to be doing and moving with the majority does not necessarily mean that it is right.

I also doubt, Madam Speaker, the economic contribution that this agreement will have on Zimbabwe. I think it will be very minimal. In fact, I think that it will cost us because one way or the other, we need to be paying something, whether it is little or not, we will actually be paying something. In my view, signing was correct but I think we should actually have waited and see how other countries are doing, especially those countries that have been closer to Zimbabwe in some way, countries like Russia, Iran and Venezuela. We must also try to understand why they are refusing to sign this. Why is the United States Senate not willing to ratify this agreement? Those are the things that we need to weigh. We need to look at both the positive and the negative but the manner in which this agreement is projected is as if it is a progressive agreement that will benefit the nation. I strongly disagree with such a position. I thank you Madam Speaker.

HON. MUROMBEDZI: Thank you very much Madam Speaker for allowing me to add my voice. I would like to thank the Hon. Minister for bringing the agreement to this House. Madam Speaker, where we are standing today, we are standing in a situation where the stewardship of our oceans and the dignity of our people intersect. This recently adopted agreement reminds us that the ocean is the common heritage of humankind. It is not a distant matter, it is tied to our climate, livelihoods and to our future generations. This treaty enshrines the principles we cannot ignore, 'the polluter-pays principle'. The precautionary approach and the fair and equitable sharing of benefits are not just abstract things, they are tools for justice. It affirms that no State may claim sovereignty over marine genetic resources, instead they must be used for peaceful purposes for the benefit of all humanity, with special recognition of developing countries.

For Zimbabwe, Madam Speaker, a landlocked developing country, this recognition is vital. We may not have direct access to the high seas, but our people bear the brunt of climate change, biodiversity loss as well as economic exclusion. This treaty acknowledges climate impacts, warming, acidification and deoxygenation. These are not just scientific words or scientific terms. They actually translate into hunger, displacement and the erosion of women's livelihoods in our rural communities. Women especially, Madam Speaker, in our marginalised areas, are the custodians of water and food systems. When our ecosystems collapse, it is the women who have to walk longer distances to fetch water, to fetch firewood, who struggle to feed families, who also struggle to absorb the shocks of climate injustice. In this Parliament, we must then ensure that gender-sensitive approaches are embedded in our environmental and economic policies. When the treaty speaks of capacity building and technological transfer, it is a call to us to demand that international commitment translates into safe water, resilient livelihoods as well as the recognition of the indigenous knowledge that our communities possess. Free, prior and informed consent of communities must be respected as the treaty itself affirms.

On a side note, I would like to support what Hon. Mushoriwa said. We would like to say that while Africa has led the world in ratifying this treaty, the powerful nations like the United States and

Russia remain outside of this treaty. This imbalance actually threatens the fairness of the global ocean governance and so, Zimbabwe must ratify with conditions that actually protect our sovereignty but also demand accountability from those who pollute the most, yet they refuse to commit to treaties like this. However, this treaty is not just about distant oceans but it is about justice. It is about whether Zimbabwe will stand for the dignity of its people, miners, the youths and our future generations. Therefore, we cannot afford to treat biodiversity as a luxury but a survival.

We therefore need to align our budget priorities with this global commitment as well as to ensure that our voices are not among those who are silent, but of leadership in defending the common heritage of humankind, particularly of Africa. I, therefore, support the approval for ratification. I so submit.

HON. MAPFUMO: Thank you Madam Speaker Ma'am. I rise in support of Zimbabwe's ratification of the BBNJ Agreement. Some may ask, Zimbabwe is landlocked so, why care about the high seas? My answer is that the ocean is our highway and our climate regulator. First of all, 90% of our imports and exports pass through Beira, Durban, Dar-es-Salaam and other coasts. If ocean health collapses, shipping costs rise and our industries suffer. The BBNJ protects the very roots that feed our factories.

Secondly, science and mining: the BBNJ guarantees access to marine genetic resources and benefit-sharing. Our universities and biotech firms can research marine compounds for medicine and agriculture. The treaty also has a fund specifically for landlocked developing countries for capacity building and technology transfer.

Thirdly, Zimbabwe's droughts and floods are all linked to ocean systems. A sick ocean means a hungry Zimbabwe. We understand that 60 countries have ratified and if we delay the rules on benefit sharing, it will be written without us. I, therefore, urge this House to ratify the BBNJ and to task the Ministries of Environment, Industry and Higher Education, to come up with a plan to claim our share. Zambia, Botswana, Ethiopia and Malawi are participating but none have ratified. If Zimbabwe ratifies first, it will be the first LLDC country and we claim our share before others and before that window closes. Let us not be ocean blind. Let us ratify. I so submit.

HON. TOGAREPI: Thank you Madam Speaker. I stand up to support the ratification of the BBNJ Agreement. What persuades me more to ratify is that the majority of these countries that are refusing to ratify this agreement are the main polluters. They are the main sources of this environmental injustice. The reason why they do not want to ratify is that they are already making money out of it. They believe their economies will not survive if they act responsibly to the global population. Therefore, I strongly support this agreement because it will protect the global environment and the people of this world who are being taken advantage of by these powerful and rich countries. So, the majority of them, if you look at the list of those who are resisting, they are the main polluters. The problem is that those who are affected by their deeds are the poor third world countries. Hence, a country like Zimbabwe must take the lead to protect the disadvantaged in terms of the environment, the disadvantaged people of the world who are not benefiting, who are not even polluting as much as these powerful countries. So, for the reason that those who are polluting our environment more are refusing, I think Zimbabwe must ratify. I thank you.

HON. MUTSEYAMI: Thank you Hon. Speaker. I rise today in strong support of the ratification by the Republic of Zimbabwe, of the Agreement on Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction, commonly referred to as the BBNJ Agreement or the High Seas Treaty.

Hon. Speaker, at first glance, one may ask a simple question, why should Zimbabwe, a landlocked country concern itself with an agreement dealing with marine biodiversity in areas beyond national jurisdiction? Zimbabwe may be landlocked but Zimbabwe is not isolated from the global environment, the global economy or the global commons. The oceans belong to the interconnected ecological system upon which humanity depends. What happens in our oceans has consequences for climate, biodiversity, food security, scientific research, economic development and the welfare of present and future generations.

The BBNJ Agreement is therefore not merely an ocean treaty. It is an important instrument for the protection of a global environmental resource. The agreement is established in an international framework covering four important marines: marine genetic resources and the sharing of benefits arising from them, area-based management tools including marine protected areas, environmental impact assessment and capacity building and the transfer of marine technology. These four pillars are directly relevant to the interests of developing countries.

I wish to particularly emphasise the issue of equity. For many years, the technological and financial capacity to undertake sophisticated research in the high seas has been concentrated in a relatively small number of countries and institutions. Our ratification should not be viewed merely as accepting international obligations. It should also be viewed as an opportunity to expand Zimbabwe's scientific cooperation and technological capabilities. We should ratify and then strategically engage. This is very important. We should ratify and then strategically engage with the mechanisms created by the agreement to ensure that Zimbabwe derives maximum benefit from that process. I would like as well to state to the House that the BBNJ Agreement should enter into force. The international framework is therefore becoming more operational in the question for us to ratify and that would help us today, tomorrow and our future generation. With this short presentation, I gratefully thank you.

THE MINISTER OF ENVIRONMENT, CLIMATE AND WILDLIFE (HON. DR. E. NDLOVU): Madam Speaker, I rise to thank very much the majority of the Members who debated in this House, supporting the BBNJ. I am very grateful because they have an oversight over our ministry and they understand why we should be party to this agreement, to the international community that is benefiting from this crisis where currently we are not able to benefit. This agreement is going to facilitate our universities, colleges, our children in the lower end of our education to benefit from the research work that their brothers and sisters will have undertaken in the seas to understand the whole ecosystem of the sea.

Secondly, I would like to explain more in response to Hon. Mushoriwa's comments. The Hon. Member has a right to raise his concern but the correct issue is that those big countries that he is referring to are the ones who are currently enjoying the benefits of the seas. Therefore, they do not want to let go so that other members of society at sea benefit, other small members like Zimbabwe. That is why they are resisting. The UN system is saying no big brothers, you have enjoyed all these years, the benefits of the sea. Now, let others also come in and enjoy the benefits. I think we have benefited from the Global Fund. There is a lot of research on medicines from the seas and the royalties of the resources of the sea go to that Global Fund. We have benefitted very minimal, but we should benefit fully by also going into those research activities that are being done by the Pharmaceutical Companies in those countries. Other defence industries are also doing some research and various institutions are doing their own research in the seas. Zimbabwe as a small country has not been benefiting.

When we went to Paris, I came back and gave a report here. I articulated issues that shocked France and even Britain, as to why Zimbabwe was there. I said Zimbabwe was there because it also owns the waters of the sea because the big Zambezi River, Limpopo River and the Shangani River all take the water to the sea. Who knows; when the water goes into the Indian Ocean, we do not know how far it goes? That is our water. So, we should benefit from it. I support all those who have supported our Ministry to have this agreement approved by the oversight House of Assembly. I submit.

Motion put and agreed to.

MOTION

BUSINESS OF THE HOUSE

HON. TOGAREPI: I move that all other Orders of the Day be stood over until Order of the Day Number 19 has been disposed of.

HON. NYANDORO: I second.

Motion put and agreed to.

MOTION

REPORT OF THE PORTFOLIO COMMITTEE ON INDUSTRY AND COMMERCE ON THE FERTILISER VALUE CHAIN

HON. CHIDUWA: Madam Speaker, I move the motion standing in my name that this House considers and adopts the Report of the Portfolio Committee on Industry and Commerce on the Fertiliser Value Chain.

HON. MUSHORIWA: I second.

HON. CHIDUWA: INTRODUCTION

The Second National Development Strategy (2026–2030) identifies increased agricultural productivity as central to achieving food and nutrition security, climate resilience and the growth of agro-processing value chains in Zimbabwe. At the core of this agenda is the fertiliser value chain, which is a key driver of productivity and economic stability.

The 2024 Africa Fertiliser and Soil Health Summit, through the Nairobi Declaration, further emphasised the need for African countries to shift from reliance on imports towards strengthening domestic fertiliser production, improving distribution systems and promoting sustainable soil health practices.

However, global geopolitical conflicts, including the Russia–Ukraine war and tensions involving the United States, Israel and Iran, have exposed the vulnerability of fertiliser supply chains, leading to price volatility and supply disruptions. Zimbabwe's heavy dependence on fertiliser imports continues to strain foreign currency reserves and undermine macroeconomic stability.

Despite having significant mineral resources and existing manufacturing infrastructure, local production remains underutilised due to structural and policy constraints. This inquiry therefore focuses on identifying these challenges and proposing measures to boost domestic production, enhance competitiveness and secure the country’s agricultural and economic future.

Objectives of the enquiry

The enquiry sought to:

1. To understand the fertiliser value chain.
2. Explore opportunities for maximising local resource utilisation and substituting fertiliser imports with domestic production.
3. Identify policy and Government reform necessary to achieve fertiliser self-sufficiency.
4. Assess environmental, economic and social impacts to ensure sustainable and resilient fertiliser production.

Methodology

3.1 The Committee held oral meetings with the Ministry of Industry and Commerce and Infrastructure Development Corporation of Zimbabwe (IDCZ) to get an overview of the fertiliser industry in the country.

3.2 The Committee conducted on-site visits to G & W Industries, Dorowa Resources Zimbabwe Phosphate Industries (ZimPhos), SABLE Chemicals and ZFC to inspect their infrastructure and get a view of their operations in September 2025.

3.3 Private sector companies were visited between March 16 and 20, 2026. The companies included NutriFert, Omnia Fertilisers, Origin, ZIMPLATS, SuperFert, Windmill and ETG.

The objective was to understand the role they played and the challenges they faced in this sector.

3.4 The Committee also analysed written submissions from the same stakeholders on issues that were hindering their operations and recommendations for policymakers.

3.5 On the 7th of April 2026, the committee held a joint stakeholder oral meeting with Mutapa Investment Fund (MIF), Ministry of Agriculture, Mechanisation and Water Resources Development, Ministry of Finance, Economic Development and Investment Promotion and Ministry of Industry and Commerce to hear how they interact in the fertiliser industry and to chat a way forward for the sector.

FINDINGS

4. 1 Overview of the Fertiliser Industry in Zimbabwe

According to officials from the Ministry of Industry and Commerce, Zimbabwe's fertiliser industry has an installed annual capacity of 2 million metric tonnes (MT) of basal fertiliser, far exceeding the national demand of about 400 000 MT of basal fertiliser and 380 000 MT of top-dressing fertiliser. Of this capacity, 400 000 MT is granulation and 1.6 million MT is blending.

Despite this, Zimbabwe remains heavily dependent on imported fertiliser despite having sufficient installed capacity to meet national agricultural demand. Data from both the Ministry of Industry and Commerce and UN Comtrade 2025 show that between 2018 and 2024, the country spent approximately USD 2.11 billion on fertiliser imports. This substantial import bill is both unsustainable and difficult to justify for a nation endowed with key raw materials and existing production infrastructure.

4.2 Fertiliser Industry Structure

The Ministry of Industry and Commerce led by Dr. W. Ushe informed the Committee that Zimbabwean fertiliser industry's primary node is dominated by Chemplex Corporation, a subsidiary of the Industrial Development Corporation of Zimbabwe (IDCZ), which now operates under the Mutapa Investment Fund (MIF) since April 2024, under the Ministry of Industry and Commerce.

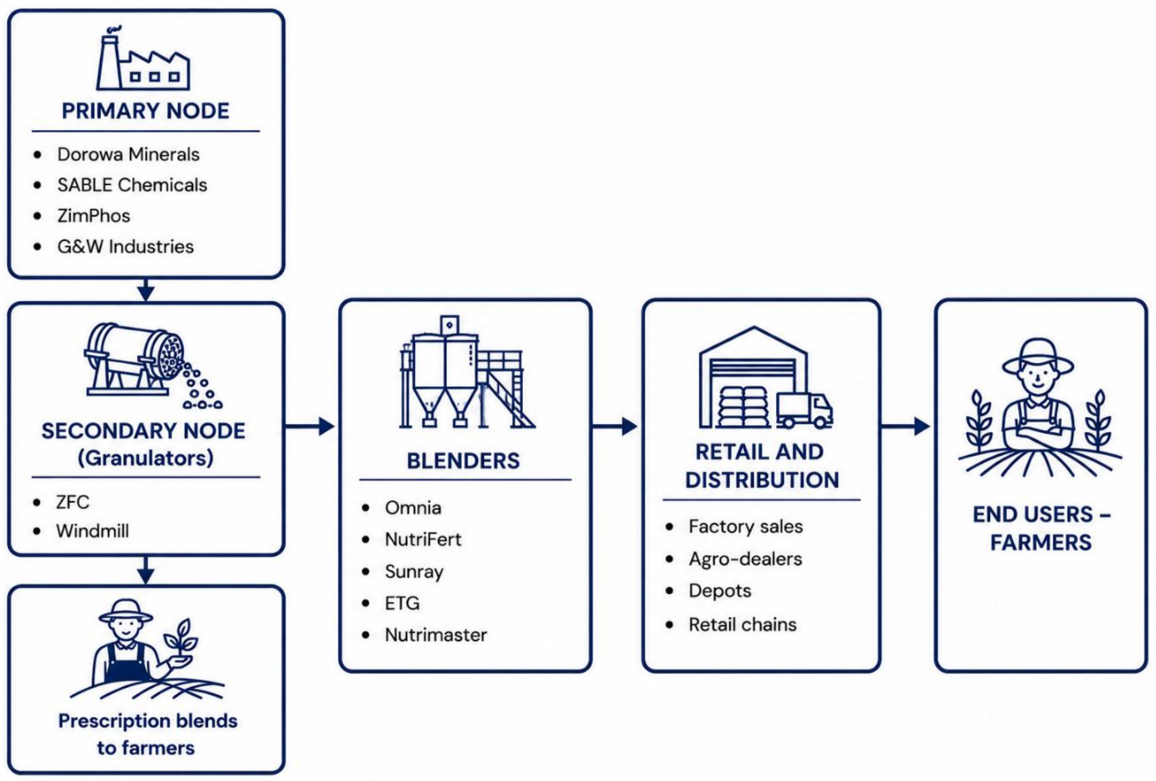
Chemplex Corporation controls significant primary operations within the fertiliser value chain. Chemplex produces the main fertiliser ingredients through its subsidiaries, namely G and W Industrial Minerals (limestone), Dorowa Minerals Limited (phosphate) and Zimbabwe Phosphate Industries Limited (ZimPhos), which manufactures sulphuric acid.

In addition, Chemplex holds a 50% shareholding in Zimbabwe Fertiliser Company (ZFC), a fertiliser manufacturer and distributor and are the major shareholder in Sable Chemical Industries (66.6%), Zimbabwe's sole producer of ammonium nitrate. Collectively, Chemplex-controlled entities possess installed capacity and key ingredients to make all the basal fertilisers and ammonium nitrate required by the country.

The industry also has strong private-sector participants that carry out blending and distribution activities, including NutriFert, Omnia Zimbabwe, Sunray Corporation and Windmill, which play an important role in market supply, particularly in regions underserved by state-linked producers. The primary source of inputs for the private sector was the Chemplex Group, from which they obtained materials to manufacture fertilisers.

However, in the current situation, they were importing exclusively, as all the companies were non-operational. United Nations. (2025). UN Comtrade database: Zimbabwe imports of fertilisers (HS code 31), all partners. Retrieved from World Bank World Integrated Trade Solution (WITS): https://wits.worldbank.org

Figure 1: Fertiliser Industry Structure



Primary Node

G &W minerals

The Joint Committee received a detailed briefing from the management of G & W Industrial Minerals, led by Dr. Mapfumo and supported by Mr. Makamure, Chairman of the Industrial Development Corporation of Zimbabwe (IDCZ), together with other company officials. The briefing focused on the operational status of the Rushinga limestone project, the circumstances surrounding the company's eviction from the mine, the legal dispute with Seldo

Mining, the economic and social impact of the shutdown and the implications for domestic agricultural lime production.

Management informed the Committee that the company invested approximately USD1.5 million in rehabilitating the Rushinga limestone processing plant and commenced operations in 2022. During the operational period, the company produced approximately 120 000 tonnes of agricultural lime annually against a national demand estimated at 300 000 tonnes.

The company further indicated that its operations contributed to a reduction in agricultural lime prices from approximately USD150 per tonne to USD75 per tonne, thereby improving affordability and uptake among farmers and other consumers.

Management advised that operations ceased in April 2023 following a dispute with Seldo Mining, which resulted in the company losing access to the mining and processing site. The dispute involved block 37311, which contains high-grade dolomite deposits (lime) in Rushinga. G &W set up and operated a processing plant directly on top of the claim block. G &W argued that Seldo improperly repegged a site that was already housing an active plant and associated infrastructure, which they claimed is prohibited under the Mines and Minerals Act. G &W petitioned the President to intervene to protect the fertiliser value chain.

Seldo maintained that G &W's tributary arrangement for working the claims had initially expired decades earlier, making G &W's continued occupation and operation over the years illegal. The Ministry of Mines and the Mining Commissioner originally established that G &W had been operating illegally on the claims. Seldo took the matter to the High Court, Justice Chitapi ultimately granted an interdict prohibiting G &W from conducting mining activities, ruling that Seldo holds the registered title and is entitled to exclusive rights and the eviction of G &W along with their machinery.

Management of G &W further indicated that the prolonged loss of access had resulted in the deterioration of plant and equipment which had recently been refurbished. Prior to the closure, the operation generated monthly revenues of approximately USD400 000.

The Committee was informed that the shutdown had resulted in cumulative revenue losses estimated at approximately USD11 2 million. Management further reported disruption of contractual obligations, loss of market share and reputational damage arising from its inability to supply key customers.

The Committee expressed concern regarding the circumstances under which a former IDCZ executive became associated with Seldo Mining and subsequently emerged as a party to the dispute. The Committee further questioned whether all available legal, administrative and institutional avenues had been fully utilised to protect a strategic State-owned investment and raised concerns regarding the effectiveness of legal representation, the handling of the dispute by relevant authorities and delays in securing the execution of favorable court judgements.

In response, management informed the Committee that the matter was under courts and undertook to provide the Committee with comprehensive documentation relating to the dispute, including court applications, judgements, legal submissions, correspondence with Government ministries and mining authorities, minutes of meetings, technical reports and records detailing the history and chronology of the dispute to assist the Committee in obtaining a fuller understanding of the matter and identifying possible interventions.

He informed the Committee that the demise of the plant in 2016 slowed down rural industrialisation. While the Industrial Development Corporation of Zimbabwe (IDCZ) injected USD1.4 million to resuscitate operations, viability challenges and delayed installations of additional milling equipment hampered the country's import-substitution goals.

On employment, management advised that the operation had directly supported approximately 170 workers. Permanent employees were redeployed to other entities within the Chemplex Corporation Group, while contract employees were paid their outstanding dues following the cessation of operations.

Committee Observations

1. The Committee noted allegations of the involvement of a former IDCZ executive in Seldo Mining, which have the potential to create perceptions of conflict of interest and undermine public confidence in the management of State investments.

2. The demise and previous closures of the G &W Industrial Minerals processing plant in Rushinga dealt a severe blow to Zimbabwe's fertiliser and agricultural sectors, triggering high import dependency.

Recommendations

1. The Industrial Development Corporation of Zimbabwe should strengthen corporate governance frameworks and post-employment regulations for former executives of State-owned enterprises to protect public investments and prevent circumstances that may undermine public confidence, by 31 December 2026.
2. The Ministry of Industry and Commerce, in collaboration with the Ministry of Mines and Mining Development and the Industrial Development Corporation of Zimbabwe (IDCZ), should facilitate the restoration of domestic agricultural lime production through the resolution of operational constraints affecting G &W Industrial Minerals or the identification of alternative sustainable production arrangements, with a view to

reducing import dependency and ensuring a reliable supply of agricultural lime by 31 December 2026.

Dorowa Minerals (Phosphate Extraction)

The Committee conducted a fact-finding visit to Dorowa Minerals and received a comprehensive briefing from company management, Chemplex Corporation, IDCZ and Mutapa Investment Fund representatives. The engagement was led by Mr. Mambo, the General Manager of Dorowa Minerals, with contributions from Dr. Mapfumo, Mr. Makamure, Mr. Chigwende, Mr. Tome and Mr. Chimusoro.

Management presented to the Committee that Dorowa Minerals is Zimbabwe's sole producer of phosphate rock concentrate and the foundation of the country's fertiliser value chain.

The mine has an installed production capacity of 150 000 metric tonnes per annum capable of producing 430 000 tonnes of basal fertiliser and phosphate reserves estimated to last for at least 60 years. Management reported that production performance has deteriorated significantly over time. Capacity utilisation averaged 20% between 2016 and 2024, before the ultimate suspension of operations in April

2025. The decline was attributed primarily to ageing infrastructure, with the processing plant having operated since 1973 without major refurbishment, resulting in frequent equipment breakdowns, reduced plant reliability and declining operational efficiency.

Management indicated that several rehabilitation initiatives had been undertaken with financial support from the Government, IDCZ and other stakeholders.

However, some interventions failed to address critical production bottlenecks. Resources were at times directed towards projects and equipment that did not immediately improve throughput, contributing to delays in restoring production capacity.

The Committee was informed that procurement challenges further undermined rehabilitation efforts. Management cited the procurement of specialised pumps required for phosphate processing, where substantial payments of USD 1.4 million were made to a South African supplier, but the equipment was never delivered due to contractual disputes. As a result, the company initiated a separate procurement process to acquire replacement pumps required for ongoing rehabilitation works.

Management further advised that investigations commissioned by the Chemplex Board uncovered procurement irregularities, conflicts of interest and collusion involving certain former executives and suppliers. These findings resulted in management restructuring, disciplinary action and the strengthening of procurement controls and financial oversight mechanisms.

Management acknowledged that weaknesses in governance and procurement had contributed to inefficient utilisation of resources and delays in implementing rehabilitation projects. The Committee heard that Dorowa Minerals currently employs approximately 136 workers, including permanent employees, apprentices and graduate trainees. Due to financial constraints and reduced operations, about 100 contract workers were not retained.

Management indicated that full operational recovery would require a workforce of approximately 270 employees and would help restore employment and economic activity in the surrounding communities. Management advised that the company's financial position remains constrained by liquidity challenges, outstanding obligations to creditors, including approximately USD300 000 owed to ZESA and a weak asset-to-liability ratio.

These financial pressures have limited the company's ability to fund rehabilitation works, retain contract employees and restore production capacity. To restore operations, management outlined a phased rehabilitation programme requiring approximately USD20 million to replace critical equipment, improve plant reliability and gradually return production to installed capacity.

However, progress continues to be constrained by liquidity challenges, outstanding obligations and limited access to capital. Management emphasised that the successful rehabilitation of Dorowa remains critical to restoring domestic phosphate production, reducing fertiliser import dependence and strengthening Zimbabwe's fertiliser value chain.

Observation

(a) Finance and Capital Allocation

The Committee observed that significant financial resources were invested in Dorowa without a corresponding improvement in production performance, indicating weaknesses in capital allocation and expenditure prioritisation.

Recommendation

The Mutapa Investment Fund and the Board of Dorowa Minerals should, by 31 December 2026, establish a ring-fenced rehabilitation fund and ensure that all future capital disbursements are linked to approved production targets and independently audited.

(b) Governance and Oversight

The Committee observed weaknesses in governance arising from vacant board positions, overlapping oversight arrangements and inadequate accountability mechanisms.

Recommendation

The Minister of Industry and Commerce, in consultation with Mutapa Investment Fund, should, by 31 December 2026, ensure the appointment of a fully constituted board and submit all outstanding governance investigation reports to Parliament.

(c) Procurement and Project Execution

The Committee observed that critical equipment remained undelivered despite substantial payments having been made, reflecting weaknesses in procurement and contract management.

Recommendation

The Board of Dorowa Minerals should commission an independent forensic audit of all outstanding procurement contracts by 31 December 2026 and implement performance-based procurement systems for all future projects.

(d) Operations and Capacity Utilisation

The Committee observed that a sustained decline in capacity utilisation culminated in the suspension of operations in April 2025, largely due to ageing infrastructure and inadequate reinvestment.

Recommendation

Mutapa Investment Fund should, by 31 January 2027, undertake a feasibility assessment for the construction of a new processing plant and present a funded implementation plan to Parliament.

(e) Human Resources and Labour Stability

The Committee observed that financial constraints have resulted in workforce reductions and salary payment challenges, threatening the retention of critical skills.

Recommendation

Management should, by 31 December 2026, clear all outstanding salary obligations and implement a workforce retention strategy and fill critical vacant management positions.

(f) Strategic Role in the Fertiliser Value Chain

The Committee observed that Dorowa's underperformance continues to constrain phosphate supply to the national fertiliser value chain.

Recommendation

Mutapa Investment Fund should, by 31 December 2026, mobilise the capital required for Dorowa's rehabilitation and implement measures to restore domestic phosphate production capacity as a strategic national priority.

ZimPhos (Phosphate processing and conversion)

Management of ZIMPHOS, led by Mr. Nyakudziwanza, submitted that ZimPhos functions as the central processing hub within the value chain, where phosphate rock from Dorowa and limestone from G&W are combined with sulphuric acid to produce intermediate and final fertiliser products such as Single Super Phosphate (SSP) and Triple Super Phosphate (TSP).

He submitted that the company historically maintained strong backward linkages through in-house sulphuric acid production using both a sulphur-burning plant and a pyrites-burning plant, which ensured cost efficiency and supply security.

However, both acid plants became non-functional around 2010, forcing ZimPhos to rely entirely on imported sulphuric acid. He further submitted that although efforts have been made over the years to resuscitate these facilities, progress has been constrained by inadequate funding and weak procurement systems, resulting in prolonged dependence on imports.

This has significantly increased production costs, weakened value chain integration, and exposed the company to external supply risks, ultimately limiting domestic value addition in fertiliser production. Currently, ZimPhos is operating at 5% of its capacity.

Management of ZIMPHOS led by Mr. Nyakudziwanza, the General Manager, submitted that the phosphate rock is reacted with sulphuric acid to produce Single Super Phosphate (SSP), a plant-available source of phosphorus.

According to the management, approximately 30 000 tonnes of phosphate rock concentrate produced at Dorowa can be converted into about 60 000 tonnes of SSP. The SSP can then either be sold directly as a fertiliser or further processed and blended into approximately 75 000–80 000 tonnes of NPK basal fertiliser.

Management informed the Committee that the key ingredient of this beneficiation is Sulphuric acid, which the company used to produce, but stopped since the two sulphuric acid plants had reached the end of their useful life and decommissioned in 2008 and 2010 respectively.

The company currently imports all of its sulphuric acid requirements, consuming approximately 4 000 tonnes per month sourced primarily from South Africa. The amount of acid they procure is dependent on the amount of output produced at Dorowa.

Management advised the Committee that many fertiliser blending companies had been unwilling to buy SSP from ZimPhos because it was supplied in powder form, which their production systems could not utilise.

The company acquired a granulator for USD 1.7 million in 2021 with a capacity of 120,000 tonnes per annum to address this issue. The company also installed a fertiliser blending plant with a capacity of 200 000 tonnes per annum at a total cost of approximately USD1.1 million, inclusive of installation and associated infrastructure. The granulator would also enable ZimPhos to produce finished NPK fertiliser products directly, thereby increasing value addition and reducing dependence on imported DAP and MAP fertiliser raw materials.

However, by the time of the committee visited ZimPhos, the granulator remained uninstalled rotting because the company could not secure USD 1.3 million for its installation. The committee heard from the management that liquidity challenges have been worsened by delayed payments from customers, particularly public sector institutions and local authorities. At the time of the Committee's engagement, debtors stood at approximately USD4.6 million while creditors amounted to approximately USD5.2 million.

This mismatch has created persistent cash flow pressures, affecting the company's ability to meet obligations to suppliers and finance ongoing operations. Notable examples involved a debt of approximately USD2.3 million owed by the City of Harare and fertiliser supplied by Interchem, where payment delays further strained supplier relationships and working capital availability.

The absence of this strategic infrastructure has hindered further the operational efficiency of ZimPhos. Management indicated that the fertiliser business remained profitable but required utilisation levels of approximately 80 per cent to fully realise economies of scale and maximise profitability. Mr. Nyakudziwanza further informed the Committee that the company's recovery strategy was centred on Dorowa’s revival for phosphate rock, completion of the granulation project and construction of a new sulphuric acid plant (estimated to cost approximately USD40 million).

He informed the Committee that challenges persist in securing working capital, increasing capacity utilisation and expanding value-added production. Support from the Mutapa Investment Fund was expected to play a critical role in mobilising the capital required for these projects.

Additionally, the long-term objective was not only to satisfy domestic fertiliser demand but to also export beneficiated phosphate products to regional and international markets, thereby generating foreign currency and contributing to Zimbabwe's industrialisation agenda.

Observations

(a) Financial Position and Liquidity

Although ZimPhos remained technically solvent and a going concern, severe liquidity constraints arising from delayed payments by public sector entities have undermined working capital, limiting the company's ability to procure inputs, settle obligations and sustain production.

Recommendation

The Ministry of Finance, Economic Development and Investment Promotion, in collaboration with Treasury and key public sector debtors, should facilitate the settlement of outstanding debts and provide working capital support to ZimPhos by 31 December 2026.

(b) Operations and Capital Investment

Significant investments have been made in retooling and rehabilitation, however, incomplete projects and inadequate funding have prevented the company from fully utilizing installed production capacity and realising expected returns.

Recommendation

Chemplex Corporation, with support from the Mutapa Investment Fund, should complete all outstanding refurbishment and commissioning projects and secure the required operational funding by 31 December 2026.

(c) Debt Exposure and Creditor Risk

ZimPhos faces significant creditor pressure due to supplier obligations and delayed revenue inflows, exposing the company to operational disruptions and financial risk.

Recommendation

ZimPhos Management and Chemplex Corporation should implement a comprehensive debt recovery and creditor management strategy, including renegotiation of supplier terms and strengthened credit control systems, by 31 December 2026.

(d) Idle equipment

Delays in commissioning the granulator acquired in 2021 have resulted in idle capital investment, increased risk of asset deterioration, and loss of potential production capacity.

Recommendation

Chemplex Corporation, with support from the Mutapa Investment Fund, should expedite the commissioning of the granulator and establish clear project implementation timelines and accountability mechanisms to ensure the asset becomes operational by 31 December 2026.

SABLE Chemicals

The Committee conducted a tour of Sable Chemicals and received oral evidence from company management. Management led by Mr. H. Shumba informed the Committee that Sable Chemicals commenced operations in 1969 as Zimbabwe’s sole producer of ammonium nitrate for both agricultural and mining applications. Designed with an annual capacity of 240 000 tonnes, the company formed a key component of Zimbabwe’s integrated fertiliser value chain alongside Dorowa Minerals, Zimphos and ZFC.

To reduce reliance on imported ammonia, Sable commissioned an electrolysis plant in 1972, enabling local ammonia production through the combination of hydrogen and atmospheric nitrogen. This allowed approximately 70% of ammonia requirements to be met locally.

The Committee was advised that the electrolysis process consumed between 80 and 115 megawatts of electricity, resulting in monthly power costs of approximately USD5 million. As electricity shortages intensified and tariffs increased, local ammonia production became uneconomic.

Following a Cabinet decision in 2015, the electrolysis plant was decommissioned and the company reverted to importing ammonia from South Africa through the Richards Bay terminal. Although investments were made in specialised rail tankers and transport infrastructure, the shift increased dependence on foreign currency and logistics.

Management explained that operations ceased in 2022 primarily because of inadequate working capital rather than technical failure. The transition to imported ammonia significantly increased operating costs and financing requirements, constraining production despite continuing refurbishment efforts. The Committee heard that approximately USD11 million secured through an Afreximbank facility was invested in rehabilitating the nitric acid plants, refurbishing the ammonium nitrate plant, upgrading electrical infrastructure and acquiring additional ammonia rail tankers. As a result, approximately 80% of the rehabilitation programme had been completed.

Management informed the Committee that the existing plant can produce up to 140 000 tonnes of ammonium nitrate annually once working capital is secured, with an immediate injection of approximately USD3 million required to resume production.

Further investment in ammonia storage and transport infrastructure would enable output to progressively return to the plant's full design capacity of 240 000 tonnes per annum. Management advised that national demand for ammonium nitrate exceeds 330000 tonnes annually, underscoring the strategic importance of restoring local production.

The Committee was informed of a shareholder restructuring, which would result in Mutapa Investment Fund acquiring a controlling 66% shareholding in the company, which is expected to support recapitalization and operational recovery.

Observations

1. **Operations and Production Capacity**

Sable has been non-operational since 2022 despite retaining significant installed capacity and substantial rehabilitation having been completed.

Recommendation

Mutapa Investment Fund and the Ministry of Finance, Economic Development and Investment Promotion should provide the required working capital to resume production by 31 December 2026.

2. Financial Position and Recapitalisation

The company's debt burden and weak balance sheet have constrained access to funding required for operational recovery.

Recommendation

Mutapa Investment Fund and the Ministry of Finance, Economic Development and Investment Promotion should implement a debt restructuring and recapitalisation programme by 30 March 2027.

3. Dependence on Imported Ammonia

The decommissioning of the electrolysis plant resulted in reliance on imported ammonia, increasing exposure to foreign currency shortages and external supply disruptions.

Recommendation

The Reserve Bank of Zimbabwe should prioritise foreign currency allocation for ammonia imports, while Mutapa Investment Fund should accelerate plans to secure sustainable ammonia supply by 30 March 2027.

4. Strategic Importance to Fertiliser and Mining Industries

Sable's inactivity has increased dependence on imported ammonium nitrate and weakened domestic supply chains for both agriculture and mining.

Recommendation

The Ministry of Industry and Commerce and Mutapa Investment Fund should prioritise the restoration of Sable as a strategic national asset by 30 March 2027.

ZFC

The Committee received briefings from ZFC Limited management led by Dr. Richard Dafana Management explained that compound fertiliser production depends on phosphate, nitrogen and potash. He explained that Zimbabwe remained dependent on imported potash, while phosphate is supplied through Dorowa Minerals and Zimphos, and nitrogen is sourced locally and through imports.

The perceived high cost of local phosphate was attributed to low production volumes and capacity utilisation rather than inefficiency. Historically, local phosphate was among the most competitive products in the region when Dorowa, Zimphos, sulphuric acid plants and rail transport operated efficiently.

The Committee was informed by management that Zimbabwe has fertiliser blending and processing capacity of approximately two million tonnes annually. The principal constraint was inadequate phosphate production and beneficiation capacity rather than blending infrastructure. Increasing phosphate output at Dorowa and strengthening beneficiation were identified as priorities for unlocking the full potential of the fertiliser value chain.

The Committee expressed concern over delayed Government payments for fertiliser supplied under agricultural programmes. Dr. Dafana informed the Committee that outstanding Government debt stood at approximately USD1.2 million, while ZFC remained contracted to supply 16 500 tonnes of Compound D and 30 000 tonnes of ammonium nitrate. Management indicated that delayed payments constrained working capital needed for procurement, manufacturing and distribution.

Efforts to offset Government obligations against statutory liabilities had yielded limited results, although ZIMRA had provided temporary relief by delaying debt recovery measures.

Regarding fertiliser quality, management advised that locally produced Single Super Phosphate (SSP) remained important but contains about 20% P_2O_5 compared to approximately 51% in imported Mono-Ammonium Phosphate (MAP). Consequently, SSP cannot on its own achieve the nutrient concentrations required for certain high-analysis fertilisers, making MAP imports necessary for some products. Zimbabwe previously produced Triple Super Phosphate (TSP) through a phosphoric acid plant decommissioned in 2007.

Restoration of phosphoric acid production is under consideration, although current phosphate resources and processing capacity are insufficient to support large-scale concentrated phosphate production.

Management maintained that Zimbabwean phosphate remained highly competitive when produced at scale. As evidence, Fertiliser Seed Grain (FSG), whose parent company is affiliated with Ma'aden, reportedly purchased virtually all available phosphate from Zimphos and imported its own sulphuric acid for local processing. A significant proportion of fertiliser supplied under the Presidential Inputs Programme was also produced using local phosphate.

The Committee was advised that local fertilisers remain competitive, although foreign suppliers often undercut prices to gain market share. Management emphasized that higher production volumes and improved capacity utilisation at Dorowa, Zimphos and related entities would reduce unit costs through economies of scale.

They further stated that fertiliser prices of USD15–20 per 50kg bag could be achievable if the value chain operated efficiently, supported by continuous production, adequate working capital, capital investment and rehabilitation of key facilities. Fertiliser production was described as a year-round process requiring sustained support rather than short-term financing interventions.

Observation

Financial Constraint

The Committee observed that delayed settlement of Government obligations amounting to approximately USD1.2 million has constrained ZFC's working capital, affecting its ability to procure inputs, sustain production and efficiently fulfil fertiliser supply contracts under Government agricultural programmes.

Recommendation

The Ministry of Finance, Economic Development and Investment Promotion should settle outstanding payments owed to ZFC and implement a time-bound payment framework for all fertiliser supply contracts to ensure adequate working capital and uninterrupted production by 31 December 2026.

Private Sector Companies

Windmill Fertilisers

During the Committee's visit to Windmill Fertilisers, management led by Mr. Charamba reported that the company is currently operating at approximately 10% capacity utilisation, producing about 2 800 tonnes against a break-even threshold of 50% capacity utilisation.

Management advised that the company has the capacity to produce up to 32 000 tonnes at full utilisation, exceeding the estimated 15 000-tonne capacity of ZFC Limited.

The Committee was informed that Windmill manufactures Compound C and Compound D fertilisers and operates blending and granulation facilities, including a modern blending plant commissioned at Mt Hampden in 2024 with a capacity of 1 000 metric tonnes per day.

Management highlighted that production remains constrained by limited access to local raw materials, low automation levels of between 15% and 20%, high electricity tariffs, foreign currency shortages and the absence of rail transport services for over a decade. Key raw materials are imported from several countries including Morocco, Belgium, Russia, Iran, Egypt, Ukraine and Madagascar.

Management further advised the Committee that the company has faced significant financial challenges, including foreign liabilities amounting to USD6.7 million and an additional USD8 million tied up in Treasury Bills. The Committee was informed that these challenges resulted in a corporate rescue process, although the company has since repaid more than 40% of its debt obligations.

Management indicated that Windmill employs approximately 750 permanent workers and 125 casual employees, depending on production requirements. The Committee was also informed that Government remains a key customer, annually procuring approximately 10 000 tonnes of basal fertiliser and 8 000 tonnes of ammonium nitrate.

Management expressed concern over increasing competition, noting that the number of players in the industry has grown from two to more than 24, and advocated for policies promoting local procurement and import substitution.

Omnia Fertiliser Zimbabwe

During the Committee's visit to Omnia Fertiliser Zimbabwe, management led by Mr. Maisva, production manager advised that the company has been operating in Zimbabwe since 1995 and functions primarily as a fertiliser blending and distribution business. The Committee was informed that the company operates at approximately 33% capacity utilisation and produces between 80 000 and 90 000 tonnes of fertiliser annually.

Management explained that all major raw materials are imported, with nitrogen and phosphorus sourced from Sasolburg, sulphur brimstone from the Middle East, boron from Turkey and South America and urea and MAP from Saudi Arabia and Israel.

The Committee was further advised that gypsum is sourced locally from ZimPhos and that the company would prefer to increase local procurement owing to its lower costs and reduced transactional risks.

Management highlighted several operational challenges affecting the company, particularly logistical and financing constraints. The Committee was informed that imported ammonium nitrate passing through Beira cannot be stored for more than 14 days, necessitating rapid transportation into Zimbabwe. Management noted that the decline of rail services has increased dependence on road transport, resulting in higher costs and delays.

The Committee was further advised that local financing costs range between 15% and 18%, exceeding the company's operating margins of between 12% and 15%. Management also reported that ammonia gas prices have increased from approximately USD500 per tonne to USD800 per tonne and emphasised the need for greater investment in local granulation and raw material production to strengthen Zimbabwe's fertiliser value chain.

NuFert

During its visit to NuFert, the Committee was informed by Mr. Brown management representative, that the company operates under the Origin Group and primarily focuses on fertiliser blending, while also maintaining grain storage and drying operations at Mt. Hampden.

Management explained that the company differentiates itself through a farmer-centered approach, supplying orders as small as three to five bags, unlike larger suppliers that typically transact in volumes of approximately 10 000 tonnes.

The Committee was advised that the blending plant has a capacity of 120 tonnes per day per shift, equivalent to approximately 40 000 tonnes annually, although current production levels are around 6 500 tonnes per year. Management further indicated that the company relies entirely on imported raw materials, including MAP and urea, while sourcing granulated lime locally from suppliers such as Atlas Dolomite and More Harvest.

Management advised the Committee that liquidity constraints remain one of the company's major challenges. The Committee was informed that although minimum import orders are generally around 2 000 tonnes, NuFert often purchases consignments of approximately 200 tonnes due to limited working capital. Management explained that imports are paid for upfront, deliveries take approximately one month, and revenues are only realized up to two months after delivery, creating a financing gap of about four months.

The Committee was further informed that operations are affected by regional fertiliser shortages, delays in obtaining duty-free exemptions, logistical bottlenecks at Beira and rising fuel costs. Management stressed that the revival of local suppliers such as Sable Chemicals and coordinated procurement of raw materials could significantly reduce costs and improve industry competitiveness.

ETG Fertilisers

During the Committee's visit to ETG Fertilisers, management reported that the company operates as both a fertiliser manufacturer and blender with a production capacity of between 400 and 450 tonnes per day. The Committee was informed that the blending plant was acquired from South Africa in 2017 at a cost of approximately USD600 000. Management explained that the company relies heavily on imported raw materials, with potassium, MAP and MOP largely sourced from Russia, additional MAP from Saudi Arabia and boron from Bolivia and urea from several international suppliers.

The Committee was advised that urea currently costs approximately USD45 per bag or USD900 per tonne and that Iran remains a preferred source due to product quality considerations.

Management further highlighted that the company's cost structure is heavily influenced by high electricity tariffs, labor costs, transport expenses and logistical inefficiencies associated with regional transport corridors and port operations.

The Committee was informed that under stable operating conditions, ETG could supply a 50kg bag of basal fertiliser at between USD25 and USD27. Management also raised concerns regarding duties imposed on micronutrients such as sulphur, boron and zinc, as well as regulatory challenges relating to licensing requirements under Statutory Instrument 215.

The Committee was advised that increased local production of sulphuric acid and phosphate inputs from producers such as Sable Chemicals, Dorowa Minerals and ZimPhos would significantly reduce import dependence, improve supply security and strengthen the competitiveness of Zimbabwe's fertiliser industry

Submissions from Government Ministries and Mutapa Investment Fund (MIF)

The Committee invited the Mutapa Investment Fund (MIF) management, led by Dr. Mangudya the Chief Executive Officer, to provide evidence on the condition of the fertiliser companies upon transfer, the challenges identified, measures undertaken to revive the businesses, progress achieved to date, and the long-term strategy for restoring the viability of the Fertiliser value chain. Mutapa Investment Fund was represented by its Chief Executive Officer Dr. John Mangudya.

The MIF informed the Committee that upon assuming oversight of IDCZ in 2024, a formal handover-takeover process was undertaken with the Ministry of Industry and Commerce. The Fund indicated that the challenges affecting the CHEMPLEX group of companies were already known through his previous Government roles. According to MIF, it inherited strategically important but financially and operationally distressed entities and attributed the distress to years of underinvestment, inadequate oversight, poor investment sequencing and aging infrastructure.

Following the transfer of oversight, MIF undertook a Rapid Diagnostic Assessment to establish the condition of the businesses and identify the root causes of underperformance. The assessment revealed governance weaknesses, ineffective accountability mechanisms, weak audit systems, procurement inefficiencies and excessive Board involvement in operational matters.

In response, the fund introduced governance reforms aimed at strengthening accountability, improving procurement controls, clarifying the separation of responsibilities between boards and management and implementing performance management systems across portfolio companies. MIF submitted that the deterioration of the fertiliser value chain was not attributable to a single entity, but reflected systemic weaknesses across governance, investment planning, procurement and operational management.

MIF submitted that restoring the fertiliser value chain is critical for national food security, import substitution, preservation of foreign currency and the revitalisation of domestic industrial capacity. The Fund emphasised that the fertiliser businesses operate as an integrated value chain, with the recovery of Dorowa Minerals, ZimPhos and Sable Chemicals being interdependent. Consequently, priority has been placed on rehabilitating upstream assets responsible for phosphate beneficiation and acid production.

The fund identified Dorowa Minerals as the foundation of the recovery strategy because it supplies phosphate concentrate to the rest of the fertiliser value chain. MIF reported that Phase 1 rehabilitation works were approximately 95 percent complete and targeted for completion by May 2026. According to the Fund, progress had been affected by the deteriorated condition of inherited infrastructure, engineering complexities and lengthy procurement lead times for specialised equipment.

Nevertheless, MIF maintained that the project remained on course to restore beneficiation capacity and improve the supply of phosphate feedstock for downstream operations. MIF further submitted that the rehabilitation of ZimPhos is dependent on the successful restoration of Dorowa operations. The fund identified the rehabilitation of acid production facilities as a strategic priority and advised that technical assessments of legacy equipment were underway. Major restoration works at ZimPhos are projected to extend to 2027 due to the scale and complexity of the required rehabilitation programme.

At Sable Chemicals, MIF advised that efforts are underway to restore nitrogen fertiliser production while repositioning the company towards a more diversified and market-driven product portfolio. The Fund indicated that future investments would increasingly focus on higher-analysis fertiliser products and product diversification in response to changing market demand.

To support these interventions, MIF reported that approximately USD153.1 million had been committed towards the revitalisation of the fertiliser value chain, with approximately USD27.6 million disbursed at the time of reporting. The fund stated that funding was being released in phases against project milestones and operational readiness requirements to safeguard public resources and strengthen investment discipline.

Overall, MIF maintained that the intervention is intended to restore domestic fertiliser production, reduce reliance on imports, strengthen food security and position the sector as a sustainable contributor to national industrial development.

Ministry of Agriculture, Mechanisation and Water Resources Development

The Committee invited the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development to provide evidence on the state of Zimbabwe's fertiliser value chain, including challenges affecting fertiliser production, importation, distribution, affordability, quality assurance and national supply security. The Ministry was represented by the Permanent Secretary, Professor O. Jiri, who presented the Ministry's assessment of the sector and the measures being undertaken to address identified constraints.

The Ministry of Lands, Agriculture, Fisheries, Water and Rural Development informed the Committee that Zimbabwe requires over 900 000 metric tonnes of fertiliser annually but remains heavily reliant on imported raw materials and finished products, exposing the country to global supply disruptions, geopolitical conflicts, foreign currency shortages and escalating transport costs.

The Ministry identified key constraints including exchange rate volatility, inadequate working capital, high logistics costs, weak rural infrastructure, limited domestic production capacity and regulatory weaknesses that increase the risk of counterfeit fertilisers. It warned that these challenges threaten agricultural productivity and food security but advised that Government is implementing measures such as duty-free fertiliser imports, prioritised foreign currency allocations, support for local manufacturers and strengthened stakeholder coordination, while pursuing long-term reforms to expand domestic production, modernise the legislative framework and develop a National Fertiliser Security Strategy.

Looking ahead, the Ministry emphasised the need to expand domestic fertiliser production, diversify import sources, strengthen soil testing and extension services, modernise the fertilisers, Farm Feeds and Remedies legislative framework and develop a National Fertiliser Security Strategy to improve long-term supply resilience and support national food security.

Fiscal and taxation measures

The Committee invited officials from the Ministry of Finance, Economic Development and Investment Promotion, represented by the Chief Director, Mr. Mverecha, and the Director of Tax Policy, Mr. Mukurazhizha, to explain the fiscal and taxation measures being implemented to support local fertiliser production, as well as

Government's rationale for maintaining the VAT-exempt regime for fertiliser products in place of the previous zero-rated framework.

The Ministry submitted that Government has implemented several fiscal incentives to strengthen the fertiliser value chain, including the suspension of customs duty and import VAT on critical raw materials, micronutrients, and capital equipment used in fertiliser manufacturing.

These measures are intended to reduce production costs, improve competitiveness, and support increased domestic fertiliser output.

The Ministry explained that Zimbabwe's VAT framework is product-based rather than company-specific and argued that the VAT-exempt regime should be considered alongside the broader package of tax concessions available to manufacturers.

It further submitted that the major cost drivers in fertiliser production, particularly raw materials and capital equipment, already benefit from significant tax relief under existing rebate and duty suspension arrangements.

While acknowledging concerns regarding the inability of manufacturers to reclaim input VAT on certain operational expenses, the Ministry maintained that the combined effect of customs duty exemptions, import VAT relief, and other fiscal incentives provides substantial support to the industry. The Ministry further noted that qualifying fertiliser manufacturers may benefit from incentives available under the Special Economic Zones framework, which is intended to promote investment, industrial growth, and value addition within the sector.

Policy Framework

The Committee invited the Ministry of Industry and Commerce, represented by the Permanent Secretary, Dr. Thomas Utete-Ushe, to provide evidence on the policy, regulatory, and investment measures being implemented to support the fertiliser value chain, with particular focus on counterfeit products, import licensing and permit administration, industrial incentives, ease of doing business and the promotion of local production and value addition.

The Ministry submitted that Government’s policy framework seeks to balance the protection of local fertiliser manufacturers with the need to ensure adequate national supplies through controlled importation. Existing import control measures and Statutory Instruments were described as mechanisms designed to safeguard domestic industry while permitting the importation of essential fertilisers and raw materials where local production capacity remains inadequate.

The Ministry acknowledged concerns raised by industry regarding import permit processing and the expiry of duty exemptions due to shipping and logistical delays, indicating that the relevant Statutory Instruments remain under review to address operational challenges without compromising industry protection objectives.

The Ministry further advised that Government is prioritising industrialisation, value addition and localisation across the fertiliser value chain. It acknowledged the need for continued ease-of-doing-business reforms, particularly in relation to administrative and licensing requirements affecting the importation of critical raw materials such as ammonia.

The Ministry also highlighted that incentives available under the Special Economic Zones framework remain accessible to both existing and prospective fertiliser manufacturers that meet the prescribed criteria, with the objective of promoting investment, industrial growth and competitiveness within the sector.

Regarding counterfeit fertilisers, the Ministry indicated that enforcement efforts are being strengthened through the Consumer Protection Commission, working in collaboration with private sector organizations and other enforcement agencies. Ongoing inspections, compliance monitoring and anti-counterfeit operations were cited as key interventions aimed at protecting farmers from substandard products.

While outlining these measures, the Ministry acknowledged persistent concerns regarding administrative bottlenecks, the adequacy of penalties for offenders and the need for stronger enforcement mechanisms and enhanced stakeholder coordination to improve the operating environment within the fertiliser value chain.

Committee Observations and Recommendations

Committee Observation

The fertiliser industry remains heavily dependent on imported raw materials because local phosphate, agricultural lime and sulphuric acid value chains are underdeveloped and there is limited integration between fertiliser manufacturers and domestic suppliers. This dependence increases production costs, exposes the industry to foreign exchange and supply chain risks and undermines national efforts towards import substitution.

Committee Recommendation

The Mutapa Investment Fund, in collaboration with the Ministry of Industry and Commerce, should accelerate the revival and integration of local fertiliser raw material industries to reduce import dependence and lower production costs by 31 December 2026.

Committee Observation

The Committee noted that fertiliser manufacturers are operating significantly below their installed production capacity despite having infrastructure capable of meeting a substantial proportion of national fertiliser demand. This underutilisation represents a missed opportunity to strengthen domestic production and reduce reliance on imports.

Committee Recommendation

The Ministry of Industry and Commerce, working with the Ministry of Agriculture, Mechanisation and Water Resources Development, should implement local procurement and import substitution measures to increase utilisation of domestic fertiliser production capacity by 31 December 2026.

Committee Observation

The Committee observed that high energy tariffs, expensive transport costs, reliance on imported inputs and limited access to affordable financing continue to erode the competitiveness and growth of the fertiliser manufacturing industry.

Committee Recommendation

The Ministry of Finance, Economic Development and Investment Promotion, together with the Reserve Bank of Zimbabwe, should establish affordable long-term financing facilities and sector-specific support measures for fertiliser manufacturers by 31 December 2026.

Committee Observation

The Committee noted that poor rail infrastructure, port inefficiencies and excessive dependence on road transport continue to disrupt fertiliser supply chains and significantly increase production costs.

Committee Recommendation

The Ministry of Transport and Infrastructural Development should prioritise the rehabilitation of rail infrastructure and improve efficiency along key logistics corridors by 31 December 2026.

Committee Observation

The Committee observed that regulatory bottlenecks, delays in licensing, duties on essential micronutrients and policy uncertainty continue to increase compliance costs and discourage investment in the fertiliser sector.

Committee Recommendation

The Ministry of Industry and Commerce, in collaboration with the Ministry of Finance, Economic Development and Investment Promotion, should review the regulatory framework, streamline licensing processes and remove duties on critical fertiliser inputs by 31 December 2026.

Committee Observation

The Committee noted that the fertiliser industry remains largely concentrated on blending activities, with limited investment in granulation and downstream value addition despite the significant opportunities for industrial development, employment creation and import substitution.

Committee Recommendation

The Ministry of Industry and Commerce should introduce incentives for investment in fertiliser granulation and prioritise locally value-added fertilisers in Government procurement programmes by 31 December 2026.

Committee Observation

Delayed settlements, outstanding Treasury Bills, legacy debts and payment defaults continue to constrain working capital and increase financial risks throughout the fertiliser value chain.

Committee Recommendation

The Ministry of Finance, Economic Development and Investment Promotion should expedite the settlement of outstanding obligations and establish mechanisms to ensure timely payment to suppliers by 31 December 2026.

Committee Observation

The Committee noted that counterfeit fertilisers, inadequate testing infrastructure and weak quality assurance systems pose significant risks to agricultural productivity, farmer confidence and food security.

Committee Recommendation

The Ministry of Agriculture, Mechanisation and Water Development, in collaboration with the Standards Association of Zimbabwe and relevant regulatory authorities, should strengthen standards enforcement, establish accredited testing facilities and intensify market surveillance by 31 December 2026.

Conclusion

Zimbabwe’s fertiliser industry is characterised by a significant structural contradiction: despite having an installed production capacity of approximately two million metric tonnes per year, far exceeding national demand of about 780 000 metric tonnes, the country has continued to spend over USD2 billion on fertiliser imports in less than a decade.

The Committee concluded that this situation stems not from a lack of resources or industrial capacity, but from systemic challenges including dormant state-linked production facilities, inadequate capitalisation, weak corporate governance, ageing infrastructure, procurement inefficiencies, unreliable rail transport and liquidity constraints across the value chain.

These factors have undermined domestic production, increased dependence on imported raw materials and weakened national food security. The Committee therefore emphasises that reviving upstream production, settling outstanding public sector debts, rehabilitating critical transport infrastructure and strengthening coordination across the fertiliser value chain are urgent priorities to unlock existing capacity, reduce import dependence, and achieve Zimbabwe's industrialisation and food security objectives. I thank you.

***HON. MUSHORIWA:** Thank you Hon. Speaker. The report by Hon. Chiduwa is full of detail. It was thoroughly researched and compiled. The report shows the duties or the responsibilities of Parliament. The Committee did a good job in scrutinising and researching the work that is being done by the departments of the government. That report makes one feel aggressive if you listen and understand it. Some people think the report was a bit long but what I can say is that everyone in this House should get a chance to go through this report.

This report says, Zimbabwe’s economy and riches are in farming. That is why Zimbabwe was regarded as the basket of Africa or of SADC because that is where we get most of the food. The issue is not about Zimbabwe not being able to access fertilizer, but there is phosphate in Dorowa. If you go to Rushinga, there is limestone. We have a granulator machine in Zimbabwe that can produce fertilizer.

The biggest problem is failing to use the government funds properly because of corruption in government companies. The problem is the lack of interest of people whom we gave the responsibility to lead these companies. These companies are now under Mutapa, but these companies were under a department of Industrial Development Corporation (IDC).

The Minister of Finance, Economic Development and Investment Promotion, Prof. M. Ncube can tell you that the Government directed money into IDC so that fertilizer could be available but that money will have been misused. If you go to Dorowa, area 07, they will tell you that they are grieving because there were a lot of employees who were working for Dorowa who are no longer working there. If you try to look at the problem, you will notice that this company can purchase items for $1.4 billion from South Africa.

They do not do any follow-ups to see whether those items were delivered or not, yet it is the only way for the government to avail funds to them and yet they are using a lot of funds. You notice that the phosphate that is in Dorowa is of good standard unlike any other phosphate from other countries. It is said that you can go for 300 metres of mining that phosphate, but we do not have a management that is responsible. Some people are corrupt.

Some of you may not understand because whenever we are talking about issues of corruption in these companies, politicians are the ones who are accused of that. That being said, they are the ones stealing but it is too deep. When politicians come, you accuse them and some of them look as if they are the ones benefiting. Those who are benefiting most are those who are employed in these companies.

Let us look at G & W in Rushinga. Hon. Nyabani is aware. Some women were working for G & W. The Government placed a machine there so that they would be productive. Someone who was working in G & W and came up with a plan on how to benefit made sure that where payments were supposed to be renewed, they did not do so but rather, they opened a new company and made some applications so that they could get that place or land. The Government invested in the electricity infrastructure which has provided valuable opportunities, particularly for the women in Mt. Darwin who are thankful for the support. However, it is frustrating to see someone claim ownership of that area, especially when they failed to renew their rights and do not truly possess it. This corruption Madam Speaker, is not merely a failure of politicians but it stems from individuals who were entrusted with the responsibility to manage these assets. We must consider the Chairman's remarks on this issue and address the underlying corruption effectively.

If you go to ZimPhos at Chemplex, the situation there is quite disheartening. A significant amount of funds directed by the Minister of Finance, Economic Development and Investment Promotion was allocated to various boards. Industrial Development Corporation (IDC), ZimPhos, Dorowa and G &W each had their own boards overseeing these funds. Unfortunately, it appears that these funds have ended up benefiting those who were supposed to be managing them yet they have not been effectively managed.

When we visited ZimPhos, we were taken aback to learn that they purchased a granulator for USD17 million but it was non-operational because they were waiting for an additional USD1.3 million to make it functional. Upon discovering this, we decided to visit another company that manufactures fertilizer. We found out that the granulator,which cost USD17 million dollars at ZimPhos and was not operational was purchased by this other company for only USD600 with an additional USD300 spent to make it operational. This raises a critical question - where did the USD15.1 million go? Now, they are allocating these funds while we find ourselves in a position of having to probe the Minister of Finance, Economic

Development and Investment Promotion. We are seeking foreign currency to purchase fertilizer from outside the country. Since 2024, we have spent approximately USD2.5 billion on importing fertilizer despite the fact that we should be exporting fertilizer to other countries. Unfortunately, rampant corruption has led us to this dire situation.

Hon. Speaker Sir, the report presented by Hon. Chiduwa is indeed aggravating. When you visit ZFC, they claim they are waiting for Dorowa to commence operations. Similarly, private companies that manufacture fertilizer express frustration stating that if both Dorowa and ZFC were functioning effectively, we would be able to purchase all our fertilizer locally. They emphasize that importing fertilizer, particularly through maritime routes, adds unnecessary complications and costs to the process.

HON. SHAMU: I would request that we give Hon. Mushoriwa an extra 20 minutes.

THE TEMPORARY SPEAKER: Hon. Shamu, you can request when his time is up. Thank you.

***HON. MUSHORIWA**: Hon. Speaker, it is reported that when fertilizer is imported through Mozambique, there are often significant challenges in getting it shipped to Zimbabwe. It sometimes takes as long as two months. This situation is unacceptable; we should be the ones exporting fertilizer rather than facing such delays.

Furthermore, Hon. Speaker, another critical issue that needs addressing is management. It is evident that in this House, we advocate for the Mutapa Investment Fund to take over ZimPhos and Dorowa. However, the same management that led to the decline of Dorowa and ZimPhos has been entrusted with managing the Mutapa Investment Fund. My concern is that if these individuals have previously benefited from funds allocated by Treasury, what assurance do we have that they will not misuse the funds they receive from Mutapa? This cycle of mismanagement must be broken to ensure accountability and effective use of resources.

What I am saying, Hon. Speaker, is that before the Mutapa Investment Fund, the Minister of Finance, Economic Development and Investment Promotion had decided that the Industrial Development Corporation (IDC) was not going to get any funds. So, what I am saying is, we want the Mutapa Investment Fund to remove all those who mismanage funds and then they start to get young technocrats to run these companies. If they do that then we will be able to move forward.

Hon. Speaker, if we manage to operate Dorowa, we will notice that even the hunger or poverty that we talk about will not be there. A bag of fertiliser is expensive. That is when you see the Government coming up with a Presidential scheme trying to cushion and assist people in the rural areas, those who cannot afford to purchase fertiliser.

However, that is not the issue. If we are able to manufacture our fertiliser locally, you will see that a 50 kg bag of fertiliser will be less than USD15. If the fertiliser is cheap, it means that even the poor will afford it. You will see that when we say we want money for a Presidential scheme, where we wanted USD10 we would request USD2 because everyone will be able to benefit.

Growing up, Madam Speaker, there was no Presidential Scheme. Fertiliser was cheaper. So, all farmers even the young farmers would rush into farming business and would do so with an animal plough. We would even take our grains to the GMB. So, now we are trying to see where we went wrong and we blame ourselves, yet we have people who stole from the Government for their own benefit.

Madam Speaker, I ask that after the presentation of the report by Hon. Chiduwa, Hon. Members in this august House should make an effort if they get a chance either today or any other day to go through it slowly without rushing. When he presented it, he was rushing because of time. However, when you go through it, you will be angered, you will be upset. You would even ask for a change of policies and laws or even what happens in China that anyone who steals from the government should be prosecuted or even executed.

Hon. Speaker, I do not want to go further, but I just want to thank you for this time. I just ask that we improve our agriculture department so that the Mutapa Investment Fund will start on a good foundation and our economy goes on well. I thank you.

HON. TOGAREPI: Madam Speaker, I move that the debate do now adjourn.

HON. O. SIBANDA: I second.

Motion put and agreed to.

Debate to resume: Wednesday, 9th September, 2026.

MOTION

BUSINESS OF THE HOUSE

HON. TOGAREPI: Madam Speaker, I move that we revert to Order of the Day Number 1.

HON. O. SIBANDA: I second.

Motion put and agreed to.

MOTION

APPROVAL FOR ACCESSION OF THE AGREEMENT ON THE NDB AND THE ARTICLES OF AGREEMENT

THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND INVESTMENT PROMOTION (HON. PROF. NCUBE): Madam Speaker, I move the motion standing in my name:

THAT WHEREAS Section 327 (2) (a) of the Constitution of Zimbabwe provides that any convention, treaty or agreement acceded to, concluded or executed by or under authority of the President with one or more foreign states or international organisations shall be subject to approval by Parliament;

AND WHEREAS Articles 5 (b) and (c) of the Articles of Agreement of the New Development Bank ("NDB" or "Bank") provide that the membership of the Bank shall be open to members of the United Nations at such times and in accordance with such terms and conditions as the Bank shall determine by a special majority by the Board of Governors and that the membership shall be open to borrowing and non-borrowing members;

AND WHEREAS on March 25, 2026, the Republic of Zimbabwe submitted a letter of Application to the NDB, indicating that in accordance with the Agreement on the New Development Bank and its Annexed Articles of Agreement and the Board of Governors Resolution on Admission, Zimbabwe intends to subscribe 630 shares of the NDB's authorised capital in total amount of USD 63 million, of which USD 12.6 million are paid in capital and USD 50.4 million are callable capital;

AND WHEREAS by Resolution No. 2026-BG-R129 dated 10 July 2026, the Board of Governors of the Bank resolved and accepted the admission of the Republic of Zimbabwe to the NDB after it deposits an Instrument of Accession to the Agreement on the NDB and Articles of Agreement in Accordance with Articles 48 (c) and (d) of the Articles of Agreement;

AND WHEREAS in accordance with Article 49 (b) of the Articles of Agreement, Zimbabwe shall become a member on the date on which its instrument of accession is deposited;

NOW, THEREFORE, in terms of Section 327 (2) (a) of the Constitution of Zimbabwe, this House resolves that the Agreement on the NDB and the Articles of Agreement be and is hereby approved for accession.

Government is pursuing the diversification of development financing sources in order to support the country's infrastructure and sustainable development priorities under our NDS 2. The country's accumulation of external debt arrears since 2000 is constraining access to affordable long-term financing from traditional multilateral development banks and even from our private sector. Against this background, the Government identified the new development bank, NDB, as an alternative source of development finance, particularly for infrastructure and sustainable development projects in our private sector.

The NDB was established to mobilise resources for infrastructure and sustainable development projects in BRICS countries and other emerging markets and developing countries. Its financing instruments include loans, guarantees, equity participation and other financial instruments, as well as technical assistance for projects supported by the bank.

If I could go into some of the milestones that we have achieved in our quest to become a full member of the NDB bank. Madam Speaker, Zimbabwe commenced the process by expressing interest in joining the NDB in 2022. This initiated engagement between the Government and the bank on the requirements and the terms for Zimbabwe's admission as a member. Following the expression of interest, the NDB Board of Directors authorised the NDB management in April 2026 to conduct formal negotiations with Zimbabwe. This represented an important step from preliminary engagement to formal consideration of Zimbabwe's membership.

Formal membership negotiations were held on the 20th May, 2026 in accordance with the agreement on the new development bank, its articles of agreement and applicable admission procedures. During the negotiations, Government committed to a 200% subscription of Zimbabwe's indicative allocation, amounting to 630 shares with a total subscription value of USD63 million. Of this amount, USD12.6 million is what you call paid-in capital and the rest, which is $50.4 million, is what is referred to as callable capital which does not have to be paid upfront.

Following the conclusion of the negotiations, the Government of Zimbabwe submitted its formal letter of application to join the NDB on 29th May, 2026. The application formally placed Zimbabwe's request for membership before the bank's governance structures. Zimbabwe's application was approved by the NDB Board of Governors. The approval was communicated through an email Board of Governors Resolution on 15th July, 2026. This approval established the terms and conditions under which Zimbabwe would be admitted as a borrowing member subject to completion of required accession processes.

Following approval by the NDB, Zimbabwe is required to complete the necessary domestic processes. Parliamentary approval is therefore critical to enable Government to proceed with accession to the agreement on the new development bank membership. After completion of the domestic approval process, Zimbabwe is required to deposit an instrument of accession with the Government of the Federal Republic of Brazil which acts as the depository. The instrument confirms that Zimbabwe has acceded in accordance with its laws to the agreement on the NDB, the articles of agreement and the terms and conditions prescribed in the Board of Governors Resolution.

Let me turn to the capital subscription and the financial commitment for Zimbabwe. Madam Speaker, prospective NDB members may subscribe between 100% to 200% of their indicative shareholding allocation. Zimbabwe opted for the 200% subscription.

Under the 100% option, the indicative subscribed capital would have been USD31.5 million, comprising USD6.3 million paid-in capital and then USD25.2 million in callable capital.

By selecting the 200% option, Zimbabwe's total subscribed capital increased to USD63 million, comprising USD12.6 million paid-in capital and then the USD50.4 million callable capital as I have already mentioned. The actual scheduled cash contribution to be paid by Government now is USD12.6 million paid-in capital and the USD50.4 million, as I have stated, represent callable capital and is separate from the seven scheduled paid-in capital instruments. I will come to those in a minute.

The 200% subscription also provides Zimbabwe with an initial voting power of approximately 0.12% compared with approximately 0.06% or half under the 100% option. Madam Speaker, the USD12.6 million paid-in capital is not payable as a single upfront bullet amount.

It is payable in seven instalments over 78 months, with the payment period commencing from the date on which Zimbabwe deposits its instrument of accession. The instalments are structured as follows;

First instalment is USD945 000 payable six months after deposit and represents 7.5% of the total paid-in capital. The second instalment is USD1.575 million payable 18 months after deposit, representing 12.5% again of the total paid-in capital. The third instalment is USD1.89 million payable 30 months after deposit, representing 15% of the paid-in capital total. The fourth instalment is USD1.89 million payable 42 months after deposit, representing 15% of the total. The fifth instalment is USD1.89 million payable over 54 months after deposit, representing again another 15% of the total.

The sixth instalment is slightly higher. It is USD2.205 million payable 66 months after deposit, representing 17.5% of the total paid-in capital.

The seventh and final instalment is USD2.205 million payable 78 months after deposit, representing 17.5 million of the total paid-in capital.

Accordingly, Zimbabwe's total scheduled paid-in cash obligation is USD12.6 million with the first payment of USD945 000 falling due six months after the Instrument of Accession is deposited and the final payment falling due 78 months after deposit.

The presentation does not specify the actual date on which the Instrument will be deposited. Exact calendar payment dates can therefore only be determined once the deposit date is confirmed.

Madam Speaker, the rationale for the 200% subscription is to strengthen Zimbabwe's governance influence within the NDB Bank relative to the 100% option and also improve the eligibility for a robust country programme. Zimbabwe's initial voting power under this option is 0.12% which is expected to dilute to 0.07% once all available authorised capital has been subscribed for by others who may come in future. The seven-instalment structure also spreads the USD12.6 million paid-in capital contribution over several years. It just makes it easier for us as a country to pay the amount.

Madam Speaker, the following are the remaining steps to complete the process of joining the new development bank.

1. Obtain the required parliamentary approval to enable Zimbabwe to complete its accession process.

2. Finalise and execute the instrument of accession in accordance with Zimbabwe's domestic legal requirements.

3. Deposit the instrument of accession with the Government of the Federal Republic of Brazil as depository.

4. Provide for the paid-in capital obligations beginning with the amount of USD45 000 six months after the deposit date and finally,

5. Complete the seven instalments amounting to USD12.6 million by the 78th month after deposit of the Instrument.

Madam Speaker, the following are the benefits of being a member to the new development bank.

1. Access to long-term infrastructure and sustainable development financing.

2. Access to financing instruments including loans, guarantees and equity participation for both Government and private sector.

3. Potential access to local currency lending which may reduce foreign exchange risk where project revenues are in local currency.

4. In addition to that, there is participation in a governance structure in which no single member has unilateral veto power.

5. Greater reliance on country procurement and environmental and social systems supporting country ownership.

6. The other benefit is that there are opportunities for technology transfer and sharing of technological ideas among member countries.

I had the opportunity to attend an annual meeting of the bank as we are soliciting for a membership. I could really tell that there is a lot we could learn from this agile and modern bank. There is clear technology and knowledge transfer as we interact with others and interact with the senior executives of the bank.

7. Finally, there is access to alternative payment and payment systems including local currency arrangements as I have mentioned, and a wider engagement with the BRICS market and member countries. Therefore, I urge this august House to ratify our membership for the BRICS bank. I thank you.

HON. DHLIWAYO: Thank you Madam Speaker for giving me this opportunity to voice my opinion on the agreement that has been presented by our Hon. Minister. You recall that since the year 2000, probably to around 2019, Zimbabwe has had issues with access to credit line, especially from global financial powerhouses such as the IMF and the World Bank. Now, given an opportunity to be a member of the New Development Bank, we will have more advantages or more benefits to our country as the Honourable Minister has laid out. The fact that we will have access to New Development Bank or BRICS will give us access to new long-term development financing. Zimbabwe will be able to apply for NDB loans for infrastructure, energy, transport, water systems, industrialisation and climate resilience. It would also assist us to diversify our funding options.

As I have already alluded to, for more than two decades we had limited access to conventional loans from IMF and the World Bank. This will give us an alternative route. It also supports the country's vision 2030 and the National Development Strategy 2 (NDS2). The financing is meant to fund priorities under NDS2, including infrastructure modernisation, energy security, digital transformation, and private sector growth.

The other advantage for us being a member of NDB is that it strengthens economic and diplomatic partnerships. It will give us stronger ties with the BRICS and the global sub. That will deepen our mutual beneficial cooperation with countries of the global sub.

It will also give us a voice in the global decision-making process. It gives Zimbabwe a seat to participate in shaping discussions on development financing. It is a signal of confidence by our Government as it demonstrates growing international confidence in Zimbabwe's economic reform and progress.

In addition to that, it also gives us an alternative to Western financial systems. I think I have already explained this. Then, there are also some direct benefits for industry and projects. These direct benefits would include industrialisation support. It would also include credit for productive sectors. It will also complement reforms that we are already working on.

On that note, I would propose that this House do support and approve or ratify this agreement in order to enhance Zimbabwe's access to international credit lines. I thank you.

HON. MUSHORIWA: Thank you Madam Speaker. The Hon. Minister of Finance, Economic Development and Investment Promotion requested us to ratify our membership in the NDB Bank and the reasons that the Minister has proffered are that we need to be there for infrastructure development so that we can access monies for infrastructure development.

I am aware that the Minister, in other forums has said that they want to target infrastructure like the Batoka Power Station, the Harare Monorail System, the National Highway and others.

Madam Speaker, on paper, the idea is noble but there are things that I think also need to be clarified. We are sitting as a country at a debt of more than USD21 billion and our desire to join NDB Bank has everything to do with us borrowing and increasing our debt store. There is nothing wrong with debt Madam Speaker, as long as the debt is being applied properly. We have had a problem in this country where we have seen that the Government has now resorted to doing domestic borrowing which has put our domestic debt close to 46% and 50% thereabouts.

The NDB Bank - my understanding which the Minister will need to help me with is that we will not be giving concessional loans *per se* but this is a bank that will give commercial and some concessional loans. I am not so sure Madam Speaker of the interest rates that this bank is charging and I wanted the Hon. Minister, in response, to help us understand the interests that are going to be charged by this bank.

The second issue that I also want the Hon. Minister to clarify is, yes, I have no problem in terms of us borrowing to do infrastructure. The question that I need to understand is actually our capacity to then pay back this money. How are we choosing our infrastructure? Are we choosing infrastructure that will then possibly raise funds that can meet the repayment proposal or are we going to resort to the Treasury being the source of repaying these loans? If you look Madam Speaker, in terms of the current setup, our debt payments, though we are doing modest debt payments, you will notice that other key ministries are getting little compared to the quantum of money that we are paying as the debt payment. We wanted to make sure that as a country, we curb our debt situation. I understand that the GDP has actually been put at a higher figure of more than 50 billion, which technically means that our borrowing is lower. We know that if you use the GDP ratio, it is lower but if you use our capacity to generate and raise revenue and then service those debts, you see that we have got a lot that needs to be done.

I am not going to suggest that we do not ratify. I actually think that we need to ratify this arrangement with NDB so that we get in there. I just need the Hon. Minister to assure us that we are not going to end up digging and going deeper into debt because we are going to get a bank that will commercially lend to us and then we will not have the capacity to pay back.

Then the last issue that I also want the Minister to clarify is that I read that this bank does not necessarily have to lend you in USD but can lend you in local currency. I just want to find out when we talk of local currency, do we have hope that we can have this money lent to us in ZiG or is their definition of local currency the Chinese Yuan or another BRICS country's currency?

If the money is going to be borrowed in ZiG, it means that we will not have the risk of exacerbating a fluctuation. Then by all means, Hon. Minister, I will be the first to say go and do it faster so that we borrow in ZiG but I just need that clarification Madam Speaker, otherwise I think the Minister is trying and doing his best because managing infrastructure development using Treasury resources is not sustainable in the long term. I would support him but I just need some clarification. Thank you.

***HON. SHAMU:** Thank you Hon. Speaker. I rise in support of the request by the Minister of Finance, Economic Development and Investment Promotion, Hon. Prof. Mthuli Ncube, for Parliament to ratify the agreement on the New Development Bank (NDB) as it provides funding for our country's development. I unequivocally support the agreement because the NDB is a BRICS backed bank headquartered in Shanghai, China. This, therefore, means we have widened our source of funding.

In order for Zimbabwe to realise the vision of His Excellency, Dr. Emmerson Dambudzo Mnangagwa, Zimbabwe needs access to new long-term development finance, diversifying from lenders who have political conditionalities as we have experienced over the last twenty years or so. Zimbabwe could not get concessional loans from the World Bank and IMF. Through the NDB, Zimbabwe will be able to apply for financing for energy generation, transport and general infrastructure development, rural and urban industrialisation and building of dams as we seek climate change resilience.

Long term finance is the answer for road, bridge construction and railway resuscitation. The National Development Strategy 2 that will take us to Vision 2030 needs long term funding. Ratification of this agreement should have been done like yesterday to support NDS 2 and Vision 2030. I thank you.

HON. MADZIVANYIKA: Thank you Madam Speaker. The new bank that we call Development Bank into context is under the BRICS group. BRICS, B representing Brazil, R representing Russia, I representing India, C China, and then lastly, S representing South Africa. If you look at the countries that have jurisdiction to this bank, the majority of them are developed economies, which is a plus in that regard. In the end, Zimbabwe is regarded as a prospective member to this new Development Bank and it is an instrument of accession. I think the Hon. Minister is coming here in place to seek the parliamentary hand so that the instrument of accession can be sent to this bank. You will find that what is required of Zimbabwe is the ability to prepare banks for projects that actually help to manage our debt responsibly.

As such, once we get there, let me come to the prospective benefits and the negative effects if it were managed, of joining this bank. First of all, let me start with the positive, Madam Speaker. It is common cause that these multilateral financial institutions bring about development finance. It is not in doubt that development finance is what Zimbabwe needs. Particularly if you look at our strategic areas, we need the finance in road infrastructure, water and sanitation, creation of dams, water treatment centres, water transmission equipment and those are capital projects. We need the capital gain on health infrastructure.

If you look at our health infrastructure, I think at the bare minimum, it is going to the West, maybe in the South at the moment. So, we also need climate-resilient infrastructure. Indeed, we need capital as a country, probably capital which is cheap, which is of development in nature. Acceding to this treaty, by joining this bank, I think it will open up more diversified avenues for capital, which is a plus for Zimbabwe. You are aware that the new development bank's strategy for 2022-2026 was to issue USD30 billion worth of capital to members. Right now, we are in 2026; it means the USD30 billion strategy has escaped us. We have not benefited as a country because we have failed to submit the instrument of accession.

Now that the Minister is here, I think if we are progressive Zimbabweans, we must understand that this is for the good of our country, Zimbabwe that we all are. I think as a plus, we must encourage all our Hon. Members to support this view to ensure that our country benefit at the end of the day. It is also important to understand that Zimbabwe can benefit from networks arising from the shareholders of this bank. We have highlighted that this bank has major players under BRICS: the Indians, the Russians and the Chinese. We are saying Zimbabwe can also take from the connections arising from these shareholders, not only by the bank itself, but because of connections arising from these shareholders, the networks that come, the synergies that arise from these shareholders.

I think as a country, we must also get some benefits from that. However, joining the New Development Bank is not an automatic source of cheap capital. I want to stress this point as a country. Joining this bank does not automatically mean that Zimbabwe is getting cheap capital, no. These banks continue to do approvals and appraisals. Issues to do with risk are still key to this bank. This bank is into intermediation; it is into business to make money. As much as it wishes to give us development finance, it does so at an interest. They are in business; they consider risk of a country and they consider the credit risk. I wanted to hear from the Minister if he has plans.

What plans does he have to deal with our $13 billion or $12 billion foreign debt which is still above our country's capacity and that risk? I do not know how we are going to deal with this risk. Will the New Development Bank not consider that, the current debt that we have in the national financial institutions? If they do not consider that, then it is a plus for us. If they consider us, how are we going to maneuver around that issue of debt? I think it is very important to consider that. Then lastly, the issue to do with debt sustainability. Debt is going to be paid by nature, but whether it is sustainable or not is what is very important.

From the debt sustainability reports from the Minister of Finance, Economic Development and Investment Promotion recently, it shows that Zimbabwe's debt sustainability, we are on the weak side in terms of debt sustainability as a country, at least according to the reports from Treasury. I am not sure, in addition, whether it will ultimately benefit the country in terms of our debt sustainability. Do we have plans to deal with this unsustainability of our debt? Maybe that way, it will assist us. By and large, no one will deny that debt will take Zimbabwe to the next level. So we fully support the enactment of this agreement. I thank you.

HON. MUKOMBERI: Thank you Madam Speaker. I rise with pride also to support the proposal by the Minister and by the Government for our country, Zimbabwe to join the New Development Bank as a member. This is not just about signing an agreement as a nation but rather, it is about breaking financial isolation and also reclaiming our right to develop as a nation. For too long now, our country's infrastructural development, the industries themselves and also the people at large, in terms of what they expect in terms of safety delivery, have been crying; all these have been crying for patient capital to fund development, to fund safety delivery. It is based on the fact that our traditional lenders as a country is attached to some conditions that do not respect our sovereignty, but now the coming in of NDB is to create a fund for development without political strings. The admission of Zimbabwe into NDB perfectly aligns with NDS2 and Vision 2030. It will support infrastructure development as is spelt out in the aspirations of NDS2 and Vision 2030 goals, industrialisation in jobs creation and diversification of finance. It signals the voice of confidence to our country. The fact that NDB approved Zimbabwe to join shows growing international confidence in our economic reform programme. Investors in general watch what multilateral banks do. In fact, this proposal will open more doors for Zimbabwe at large.

Madam Speaker, what I have reason for is the fact that we should not only support but call for action to support implementation. This is why I want to add my voice to this. What is our call to action as Parliament? We have to prepare as a country, bankable projects. Ministries, at the moment must urgently package projects in energy, agriculture, value addition, digital transformation and climate resilience for NDB consideration because it is a condition that we should have such bankable projects.

The second call to action is that of protecting public funds. The Treasury should ensure strict monitoring so that every dollar delivers value for money.

Thirdly, we have to ratify speedily. We must ratify the NDB Agreement and complete share subscription so that we do not lose momentum. I thank you Madam Speaker for the opportunity.

THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND INVESTMENT PROMOTION (HON. PROF. M. NCUBE): I thank you Madam Speaker. I thank Hon. colleagues in this august House for their overwhelming support for this request for ratification. Let me begin with the comments from the Chair of the Budget and Finance Committee who rightly pointed out that this membership and access to finance with the NDB Bank will go a long way in allowing us to access long term development and finance. It is an alternative source as well. It is diversifying our options for capital and it supports Vision 2030. He also made an important point which I agree with, that it will also strengthen our diplomatic ties further with those countries that are members of this bank, those that are shareholders of this bank and those within the global south. It will give us additional credit. I must also hasten to say that the financial support that is available is not just in the form of debt, there is also equity. It is not just for the governments, there is also the private sector. Our State-owned enterprises can also benefit from this type of bank.

Let me turn to Hon. Mushoriwa and again appreciate his call that we should ratify but he wanted assurance on certain issues. He rightly points out that we need the NDB Bank to support us in infrastructure development, in projects such as the Batoka Gorge and power stations for example. His concern was whether they would end up accumulating additional debt given our current debt levels and we are trying to clear arrears of debt.

Again, I want to assure you that the NDB is not just a source of debt and also the government does not have to be the only borrower either, it could be the private sector. We are also doing for companies to support industrialisation as we heard from others such as Hon. Shamu whose comments I will address in a minute. It is not just about debt, there is also equity for specific projects. I also want to assure him that wherever the Government decides to source debt funding, we will choose projects that are income generated, that have a revenue base so that we can create escrow accounts to support the loan repayments. What comes to mind here for example, is tolled roads. Once a road is tolled, there is a revenue stream which can be set aside to service loans. A good example is what we have done with the Plumtree-Bulawayo-Harare–Mutare Road which was constructed a few years back by Group 5 and funded through the Development Bank of South Africa. We created a structure where the toll fees were able to service the loan and we managed to put aside those in an escrow account. That is exactly what we will do on this occasion and we will deal with the issue of capacity to pay without difficulty.

You want to know what sort of interest rates will be charged on the loans. That depends on the project. The bank then as a lender will decide at that point when we approach them for any bankable project as to how much interest we ought to pay. I can assure you that we will negotiate hard as a borrower to make sure we get the best deal out of it but also do it in such a manner that we do not increase our debt exposure. He mentioned an important point about capping our debt. I think given the presentation we have made from time to time to this Parliament, it is clear that we are very much debt averse. We have got implicit caps on it. I know the statutory cap is 70% of GDP and the SADC is 60% of GDP and we are meeting those caps quite easily but generally, we are very debt averse and that is why we are making sure that our debt to GDP ratio keeps declining and we continue with our efforts to clear our arrears. We currently have a staff monitoring programme in place, which is part of that process and we hope to complete that in another four months and then move to the next phase of clearing the World Bank and AFDB debt.

He raised the issue of borrowing in local currency whether this will be possible. Currently, member countries within the NDB membership are able to borrow in local currency but for now, it is only those members who are the sort of larger economies. It is India, China, Brazil, Russia and South Africa but the others will follow because it is a principle that we ought to be able to borrow in local currency in the future. I can assure you that for now, the US dollar is also our local currency, so we will be able to borrow in US dollars and will not have to suffer any exchange rate risk in that respect but hopefully then when the ZiG is fully convertible, when it is under mono-currency and it is the sole currency, we should be able to, as long as we keep it stable, over time have the opportunity to borrow also in local currency. Again, if we are able to borrow in Yuan, in

Rupees, in Ruble, again why not? These are softer currencies and those loans will also be welcome.

I also turn to the comments and input from Hon. Shamu who was again complimentary of the presentation of the request for this august House to ratify this membership as it diversifies sources of financing for infrastructure, bridges, railroads and industrialisation requirements. Earlier, there was a presentation in this House on the need for value addition in the fertilizer sector. A picture was painted which was not very rosy but we know we ought to make progress on value addition for fertilizer. Some of these loans would go towards such sectors and I agree with Hon. Shamu that the bank will assist us quite a bit in our industrialisation endeavour and it is very supportive.

I turn to the comments by Hon. Madzivanyika and agree with him that he correctly identified the initial founding members of the BRICS banks being Brazil, Russia, India, China and South Africa, hence the acronym BRICS but the legal name is New Development Bank (NDB). The BRICS bank is the light touch trade colloquial name. He is correct to say that the bank is not just going to give us cheap money, it is a commercial entity; it needs to make money.

Therefore, we need to present bankable projects that allow us to pay back. I fully agree with him and he did identify what he saw as positives, which is obviously the access to development finance for infrastructure including health, water, infrastructure and also that they seem to have some deep pockets. You correctly mentioned a figure of USD30 billion which has been disbursed so far. We have not applied yet and it has not been accepted. Hopefully, now we can get in there and also benefit from future resource availability. You mentioned an important point as well, which is that of networking with the current shareholders of the bank. That is an additional benefit beyond the financial. These networks can unlock further economic benefit and so forth. He did highlight certain negatives and certain concerns regarding the availability of cheap capital. This big commercial bank does not necessarily mean that capital is cheap. I want to let him know that we are not just seeking debt capital. We are also seeking equity capital, not just for the Government but for the private sector and all forms of capital. It is not just debt, so he did not worry too much about us perhaps over-accumulating additional debt.

I have already said that we have debt ceilings. We are debt-averse. We are trying to clear current arrears. When we submit a request for debt financing, the bank would assess our credit standing in terms of our track record with other institutions. They take that into account and they feel that they ought not to support us to the level that we are seeking. They will not do so. It is their job to protect their capital. I can assure Hon. Madzivanyika that we are very serious about the issues of debt sustainability. That is why we have debt arrears clearance programme in the first place so as to make sure that our debt is sustainable. On a single ratio basis, the ratios are now at the appropriate levels of close to 40% of GDP. We used to be over 100%. Now, we are down to the lower 40s. So, clearly, this is something that we care about. I can assure him that we will not be reckless. We will be sensitive to debt sustainability considerations.

There is an Hon. Member who mentioned that this membership that we are seeking ratification for says something about Zimbabwe breaking economic isolation. I agree with him. We are getting deeper into the community of nations within the financial sector. It also gives us additional sources of what you call patient capital but also with an institution that is most likely to respect our sovereignty. It is also a voice of confidence that Zimbabwe is worthy of the membership such as the NDB Bank but he did say that we should focus on implementation. I agree with him that once we ratify, we should immediately pay what is due as the first instalment very quickly. The sooner we pay the better and that will be the sooner we can also access borrowing or capital for private sector from this bank. So, with this overwhelming support, I really move that this august House ratifies our membership of the NDB Bank. I thank you.

Motion put and agreed to.

On the motion of **HON. TOGAREPI** *seconded by* **HON. C. MOYO,** *the House adjourned at Four Minutes past Six o'clock p. m.*