
PRESS RELEASE: 16.01.2014

EU funding to help Zimbabwe boost exports

(Geneva) – Small and medium-sized enterprises (SMEs) in Zimbabwe could soon see more of their goods going to European countries following an agreement for funding between the European Union (EU) and the International Trade Centre (ITC) for a €2.96 million programme to strengthen the country's business environment.

Following years of economic stagnation, which has reduced the access to export markets for the country's businesses, the long-term goal of Support to Trade and Private Sector Development Programme (TPSDP) for Zimbabwe is to foster economic recovery and diversification and reduce poverty. The programme will also help the country to implement the interim Economic Partnership Agreement (i-EPA) currently in place with the EU.

Despite its wealth of natural resources that can support job creation and increased exports, Zimbabwe faces huge economic and social barriers. The country's businesses lack access to finance, an inadequate infrastructure prevents the effective movement of goods and unemployment is rife.

In response to this, the TPSDP for Zimbabwe aims to create a more business-friendly environment for Zimbabwe's exporters and as such help lift the country up from its status as an exporter of raw materials to become a producer and exporter of value-added products competitive in the global markets.

Arancha González, ITC's Executive Director, said: 'Zimbabwe is rich in natural resources and in the skills of its people. The country's true potential lies in using its social capital to turn those natural resources into value-added and export-ready goods. Doing so will provide Zimbabwe - its people and businesses - with economic stability and a sustainable future.'

Ambassador Aldo Dell'Ariccia, Head of the EU Delegation in Zimbabwe, said: 'The i-EPA grants duty-free and quota-free access for Zimbabwean exports to the EU market and the project will provide export-oriented SMEs in the country with opportunities arising from the implementation of the agreement. It will also assist in strengthening the capacity of key actors, including business associations, to provide better business-development services to their members.'

He added: 'The project will support the implementation of the i-EPA between the EU and the Eastern and Southern Africa and the Indian Ocean region. In addition to Zimbabwe, the i-EPA has been ratified by Madagascar, Mauritius and the Seychelles.'

A particular focus of the TPSDP for Zimbabwe will be on making it easier for SMEs to access market information and take advantage of opportunities arising from the implementation of the i-EPA.

The programme will place emphasis on building the capacity of trade organizations and strengthening the public-private policy dialogue to ensure that business-environment reforms are carried out. It will also support the government's economic policies by creating a sustainable export culture in industrial sectors and by increasing the contribution of the manufacturing sector to economic growth.

ITC is the joint agency of the World Trade Organization and the United Nations. ITC assists small and medium-sized enterprises in developing and transition economies to become more competitive in global markets, thereby contributing to sustainable economic development within the frameworks of the [Aid-for-Trade agenda](#) and the [Millennium Development Goals](#).

Contact: Jarle Hetland
Media Officer
P: +41 22 730 0145
E: hetland@intracen.org
www.intracen.org