UKTP – Zimbabwe

The United Kingdom Trade Partnerships (UKTP) Programme aims to increase trade from African, Caribbean and Pacific countries (ACP) to the United Kingdom (UK) and the European Union (EU) by maximizing the benefits of Economic Partnership Agreements (EPAs). In Zimbabwe, the UKTP Programme works in partnership with government departments, quasi-government organisations, farmers’ unions and business associations. It is funded by the Foreign, Commonwealth & Development Office (FCDO) of the United Kingdom of Great Britain and Northern Ireland and implemented by the International Trade Centre (ITC). The UKTP Programme offers a unique platform to scale-up an agile response to the economic crisis that accompanies the Coronavirus (COVID-19) health crisis by leveraging market intelligence, working with targeted sectors and institutions and facilitating export linkages. It has two broad components: (1) Trade and Market Intelligence; and (2) Sector Support.

Selected Sector

In Zimbabwe, ITC will work with the horticultural sector due to its potential for employment creation and export generation. The sector produces a wide range of crops. Some of the crops include vegetables (for export and domestic sales), fruits (for export and local markets), and flowers (primarily for export). High potential crops selected for the programme include mangé tout peas, sugar snap peas, blueberries, chilli, baby corn, tomatoes, paprika and avocados.

Horticulture is a top priority for the Zimbabwean Government because it has numerous upstream and downstream benefits for the economy as a whole. The government is seeking to revive the sector, encourage expansion, create jobs, enhance export competitiveness, and to generate foreign currency, which will avert poverty, hunger and malnutrition.

Results

The outcome of the UKTP Programme will be increased trade between Zimbabwe and the UK/EU. This will be achieved by:

1. Increased awareness of EPA preferences and benefits;
2. A more transparent business environment for exports;
3. Improved institutional/business services to support market access;
4. Increased capacity to export to the UK/EU market;
5. Activated market opportunities.

Trade and Market Intelligence Component

Awareness of EPA benefits

The UKTP Programme will build awareness of the advantages of EPA preferences and benefits for Zimbabwe. In partnership with local institutions, ITC will conduct a modular training programme to improve awareness and understanding of preferential market access conditions under the EPA.

The training will include export analysis to identify attractive markets and products, guidelines on EPA rules of origin and the opportunities associated with the EPA. This way countries can prioritize exports with preferential access and develop strategies to capture untapped export potential. The training programmes will cater primarily to the needs of exporters, producers, government extension staff and trade support institutions. These ‘EPA champions’ will employ their market analysis skills to advise local firms, especially MSMEs.

In response to the economic turbulence following the COVID-19 health crisis, exporters can use timely market information, including EPA preferences where applicable, to anticipate demand swings and to pinpoint long-term growth potential for particular goods.

Monitoring the business environment

A business survey will evaluate the experiences of importing and exporting firms in Zimbabwe and will document the diverse challenges they face in reaching their target markets. It will identify the regulatory and procedural impediments at the national level that companies face when trying to meet the requirements of the UK/EU markets.

To keep up-to-date with evolving regulatory and procedural conditions, including temporary trade and operational obstacles following COVID-19, a national monitoring mechanism will bring to light firm-level concerns to relevant policy makers. This mechanism will build the capacity of relevant Ministries to identify, monitor and address trade impediments that arise. It will raise private sector awareness regarding the prevalence of non-tariff measures and trade-related obstacles. In addition, governments will be able to use ePing, the World Trade Organization’s notification system to inform and encourage a dialogue with the private sector on regulatory changes.

Sector Support Component – Alliances for Action

Improving institutional/business services

Trade and Investment Support Institutions (TISIs) help prepare businesses to export and connect with partners in target markets. The UKTP Programme supports TISIs to improve managerial and operational performance and to assist their client SMEs reach UK/EU markets in alignment with the Alliances for Action approach (see below). Support is provided through advice, training and information on areas like development of organizational strategies, refining service offerings and putting measurement frameworks in place. As an immediate response to the COVID-19 situation, the UKTP Programme will provide online training and coaching on topics such as using digital tools to enhance business efficiency.

Strengthening export capacity

Enterprises looking to export to the UK/EU face challenges in product development, quality control, marketing and branding. Faced with the COVID-19 global recession, SMEs must excel in meeting export market requirements and product quality expectations of customers in an increasingly competitive environment. Through the formulation of strategic and commercial alliances, SMEs will benefit from direct capacity-building interventions on export market requirements, product quality, branding and sustainability. The programme will provide tailored support for improved supply-chain linkages, sector coordination and better export results in a time of uncertainty.

To achieve this, ITC will apply its Alliances for Action (A4A) methodology, one which connects all levels of the value-chain from production to export. Each partner will contribute or invest according to their area of expertise to enhance the competitiveness of SMEs. A4A core principles include local ownership and resilience-building through a market-based approach.
Contribution to Sustainable Development Goals

Through increased trade and investment, the UKTP Programme in Zimbabwe supports the United Nations Sustainable Development Goals (SGDs) by contributing to poverty reduction SDG 1, the creation of jobs SDG 8, and integrating firms into the international value chain SDG 9. It also prioritizes gender equality and strategic partnerships as part of its outcomes SDGs 5 and 17.

Activating market opportunities

Diversification of market channels and products will be the springboard for new market opportunities and sector development. Under normal circumstances, markets can be accessed by identifying the right distribution channels, ensuring product compliance with UK and EU standards, and developing a strong marketing strategy. As the business environment changes in yet unknown ways due to COVID-19, exporters will need flexibility to respond to bottlenecks along the value-chain and to seize new market opportunities. Through A4A, ITC will leverage commercial partnerships with buyers in target markets to increase exports to the UK and EU for a diversified range of horticultural products (including mange tout peas, sugar snap peas, blueberries, chilli, baby corn, tomatoes, paprika and avocados). Participation in trade fairs and B2B meetings for showcasing Zimbabwean horticultural products will be supported to generate new business contacts and activate sales transactions. The programme will target both niche and mass markets, prioritizing good, ethical trade and sustainable export practices.

Institutional Partners

- Ministry of Foreign Affairs and International Trade (MOFAIT)
- Ministry of Lands, Agriculture, Water & Rural Resettlement (MLAWRR)
- Ministry of Industry & Commerce (MOIC)
- Horticulture Development Council (HDC)
- Zimbabwe Farmers Union (ZFU)
- Commercial Farmers Union (CFU)
- Zimbabwe National Farmers Union (ZNFU)
- Zimbabwe Commercial Farmers Union (ZCFU)

In partnership with:

Increasing quality jobs through increased exports from Zimbabwe to the UK/EU markets