

**Madame President of the Senate, Honourable
Edina Madzongwe;**

**Speaker of the National Assembly, Honourable
Advocate Jacob Mudenda;**

**Honourable Members of Parliament, here
present:**

Ladies and Gentlemen;

Comrades and Friends;

Fellow Zimbabweans:

I feel deeply honoured to make this, my maiden State of the Nation Address, in my capacity as President of the Republic of Zimbabwe and Commander in Chief of the Zimbabwe Defence Forces.

Madame President, Mr. Speaker, Sir,

First and foremost, allow me to commend our national security services, in particular, the Zimbabwe Defence Forces, who, informed by the **ethos** of the liberation struggle and their **unflinching loyalty** to our heritage, exuded great astuteness, **clarity of purpose** and **exemplary behaviour**, in defending the **national interest** by initiating what has now become known as “**Operation Restore Legacy**”. This was indeed in line with their mandate of **protecting Zimbabwe, its people, its national security and interests and its territorial integrity, and by upholding the Constitution**, as provided for in Section 212 of the Constitution of Zimbabwe.

I also want to commend the entire nation for their role in ensuring a **peaceful transition**. Zimbabweans demonstrated that sovereignty resides with the people. The sons and daughters of this great nation

on this occasion demonstrated unity, love, tolerance, endurance, patriotism, peace and maturity.

As per the announcement by the Commander of the Zimbabwe Defence Forces, General Phillip Valerio Sibanda, “Operation Restore Legacy” has ended since the situation in the country has returned to normalcy.

I, however, urge us all to remain forever vigilant in safeguarding Zimbabwe’s sovereignty, territorial integrity and national interest. Let us further continue to cherish and safeguard the hard won peace and tranquillity that currently prevail.

Madame President, Mr. Speaker, Sir,

My Government is very conscious of the challenges facing our country’s economy. Great effort will be put towards increasing **productivity** and **capacity utilization** across all sectors; enhancing **foreign**

currency earnings; reducing the country risk perception; improving service delivery; drastically reducing the budget deficit and ensuring steady economic growth.

It is pleasing to note that the advent of this New Era has rekindled a lot of goodwill and hope for economic recovery, both domestically and internationally. We must build on this foundation as we forge ahead for a better economic future for our nation.

Madame President, Mr. Speaker, Sir,

My Government has made the growing of the national economy a top priority. Key levers of this policy thrust have been covered in my Inauguration Speech delivered on 24th November, 2017 and in the 2018 National Budget Statement presented to this august House on 7th December, 2017. In line with my pledge to **prioritise policy implementation**, my

Government has taken upon itself to operate on the basis of a clear set of **performance targets** to be implemented by each Ministry within a 100-day cycle as we seek to realise the aspirations of our people within the shortest time possible.

This naturally calls for a public bureaucracy which is **highly skilled; performance and development oriented; uses resources economically and efficiently; is accountable to the people; provides the public with timely accessible and accurate information and delivers services impartially; fairly; equitably and without bias. Equally essential will be a reoriented State controlled commercial entities who must conduct their operations so as to maintain commercial viability and abide by acceptable standards of good corporate governance.** Government will henceforth take a keen interest in the conduct of public officers. Their **objectivity** and **impartiality** in decision making, **honesty** in their

execution of public duties, **accountability** to the public for their decisions and actions as well as their **discipline** and **commitment** in the service to the people, which are all key requirements in the new Government's vision.

Madame President, Mr. Speaker, Sir,

The specific economic reforms as enunciated in the 2018 National Budget Statement, shall be firmly adhered to in pursuance of my Government's development agenda. Government welcomes **short to medium term credit financing** and the recent offer of a **US\$1.5 billion economic stabilization fund by the AFREXIMBANK** is indeed a welcome gesture. Government is stepping up implementation of sector specific Ease of Doing Business Reforms.

Furthermore, Government is putting in place concrete and comprehensive instruments in line with our new

market economy thrust. We are determined to **remove any policy inconsistencies** to make Zimbabwe an attractive destination for capital. The **operationalisation** of the One-Stop-Shop Investment Centre is now proceeding with renewed impetus.

As part of this investment drive, the Special Economic Zones (SEZ) Act and the SEZ Authority Board are in place. The SEZ Board is currently working with various stakeholders on the modalities and regulations with regards to this **key vehicle** for economic growth as well as on strategies to attract investment onto this platform. Meanwhile, Government is also carrying out a comprehensive review in the **harmonisation of investment laws and policies** to boost the drive for foreign direct investment.

Madam President, Mr. Speaker, Sir,

Government will soon unveil a **robust engagement** and **re-engagement** programme with the international community in our continued bid to rejoin the community of nations. My government is committed to open Zimbabwe up to investment by building a free, and transparent economy which benefits Zimbabweans and is welcoming to outsiders.

This task, however, of projecting our country as a welcoming investment destination remains a **collective responsibility** for all Zimbabweans across the political divide. This, therefore, demands that we **subordinate our partisan and personal interests** to the higher objective of building a strong economy for the benefit of both current and future generations.

Madame President, Mr. Speaker, Sir,

The success of the new economic agenda rests on good and efficient infrastructure among other things, such as key projects on the rehabilitation and development of **public infrastructure** and other enablers like **energy, transport, housing, water, and information communication technology (ICTs)**. These have been prioritized for implementation under the 100 Days Programme of Government.

The stability of our power supplies will also be more assured, with the coming on stream of the first unit constructed under the Kariba South Expansion Project, which will be commissioned before year end while the second unit will be ready by the first quarter of 2018, providing an additional 300 Megawatts to the national electricity grid.

Madame President, Mr. Speaker, Sir,

Economic growth prospects in 2018 remain favourable, following a good 2017 agricultural season, buttressed by scaled up targeted agriculture financing for maize and small grains, wheat, tobacco, cotton, livestock, fisheries production and wildlife conservation, under the Command Agricultural Programmes. Hence the economy is forecast to grow in 2018, supported by the **rebound in agriculture and mining**. The steady growth in the Mining sector continues to be primarily driven by substantial output increases of gold, nickel, platinum, chrome and coal, among other minerals.

I wish to commend the small scale artisanal miners, particularly in the gold sub-sector, who have positively responded to facilities and incentives extended by Government, and have now consistently increased gold production to levels higher than that of

the formal corporate gold producers. Moving forward, Government will take a keen interest to ensure environmentally sustainable mining practices by this sub sector.

It is quite disconcerting that the fiscus continues to be robbed of potential income due to rampant smuggling of gold across our borders by a network of local and foreign criminal syndicates. Government is going to **capacitate the responsible agencies** and stop the **porous nature of our borders**. Those involved in this criminal activity stand warned and will face the full wrath of the law.

Madame President, Mr. Speaker, Sir,

The **manufacturing sector** has continued to show signs of recovery, particularly in those industries that benefitted from Statutory Instrument 64 of 2016 measures, which **limited the importation of certain**

basic commodities that are locally available, thereby giving local industry space and capacity to **retool** and **recapitalise**. Recent surveys have confirmed that manufactured output volume grew during the year under review. Government will continue to facilitate a conducive environment for the sector to grow whilst at the same time balancing the obligations and requirements Zimbabwe has under regional and international protocols.

In the last few weeks, the country has witnessed rampant increases in the prices of goods and services. I appeal yet again to our business community to show restraint and avoid wanton hiking of prices, bearing in mind the fact that such actions raise the appeal of cheaper imports, which has the effect of undermining current efforts to develop the local industry. Government is already developing a **Local Content Policy** to guide and promote the development of **local**

value chains in the manufacturing sector as well as boost overall economic integration.

Over the years, exports have been contributing more than 60% of the country's foreign currency earnings, ahead of other sources, such as foreign direct investment and diaspora remittances. Sadly, though, the country's exports continue to be dominated by primary commodities, with minerals and tobacco contributing over 80% of the total export earnings. Manufactured products and services currently contribute less than 10% each, respectively, to total export earnings. Government will thus maintain the policy thrust on the **beneficiation** and **value addition** of local exports. **Madame President, Mr. Speaker, Sir,**

To complement the fiscal measures taken to contain expenditure overruns, Government has also put in place some monetary incentives for the support of

domestic and export production. The monetary incentives include a small scale **gold support facility (US\$40 million)**, **export support facility (US\$70 million)**, **tobacco support facility (US\$28.6 million)**, **tourism support facility (US\$10 million)**, **horticulture facility (US\$10 million)**, and **the business linkages facility (US\$10 million)**. My government recognises the need to embark on an all-out **export orientation strategy** if the country is to achieve a sustainable high growth trajectory.

Madame President, Mr. Speaker, Sir,

The tourism sector continues on an upward trend, buoyed by the acclaimed warm hospitality of our people and the beautiful climate, flora and fauna and wildlife as well as the peace and tranquillity prevailing in Zimbabwe. To maintain this upward trend, Government is putting together an **aggressive marketing and branding strategy** hinged on

provision of **innovative incentive packages** and the **relaxation of a restrictive visa regime**.

To further unlock the growth potential of the Small to Medium Enterprises (SMEs) sector, Government is rolling out the **Business Incubation Programme** to several towns and rural service centres. Under this programme, businesses in this category are encouraged to establish and develop **linkages and synergies with large scale corporate bodies**. In the same vein, Government has provided for the expansion and increase of **Youth Vocational Training Centres** in a bid to enhance entrepreneurial and business relevant skills to young people.

Madame President, Mr. Speaker, Sir,

The **Tokwe-Mukosi Dam** has created many development opportunities ranging from **agriculture, fisheries, tourism and power generation**.

Government, in partnership with the private sector is now working on the establishment of a **comprehensive business ecosystem** around the dam to ensure maximum utilisation of this facility.

Government has also embarked on an ambitious water harvesting programme, in a bid to boost water supply security as well as agricultural productivity throughout the country. Under this programme, **boreholes are being drilled** in drought prone areas, while **dam desilting** and **weir construction** are also underway.

Government will soon move to enforce proper land use practices and resettlement patterns, so as to prevent the siltation of the country's water bodies. In addition, resources have been availed towards irrigation rehabilitation and development with at **least**

200 hectares per district targeted to be implemented annually for the next 10 years.

Madame President, Mr. Speaker, Sir,

On the social services sector, the long delays patients endure before being attended to at hospitals coupled with their inability to provide prescribed drugs to patients are untenable. Government is thus undertaking measures to resolve these challenges under the 100 Days Programme Target adopted by Cabinet. To minimise disease outbreaks, I urge local authorities to ensure that there is **adequate and functioning water and sanitation infrastructure** in their areas of jurisdiction.

Madame President, Mr. Speaker, Sir,

Government has taken the bold decision to reform, commercialise or wind up some State Enterprises and

Parastatals, which have been for a long time an **albatross** around the Government's neck owing to, *inter alia*, **poor corporate governance, undercapitalisation, unsustainable salaries and allowances and excessive borrowing.** A full programme of the reforms shall be unveiled during the first quarter of 2018.

In the same vein Local Authorities are expected to transform themselves into engines of economic growth and meaningfully contribute to improving the quality of life of all our people. Government will insist on the return by Local Authorities to proper town planning practices and strict **adherence to business and building by-laws.** The corrupt parceling out of land to land barons and the construction of houses on undesignated areas and in a haphazard manner must stop. I exhort Councils to ensure orderly settlement of people, provision of

water and sanitation facilities together with other infrastructure required for decent habitation.

Madame President, Mr. Speaker, Sir,

In line with the quest for increased job creation, there is need to expedite the establishment of the National Productivity Institute. The Institute will serve to promote the competitiveness of local industry. Closely related to the foregoing is the need to exploit the existing Social Dialogue Platform, the Tripartite Negotiating Forum, where Government, Business and Labour should collaborate and jointly implement the agreed Social Contract.

Corruption remains the major source of some of the problems we face as a country, and its retarding impact on national development cannot be over emphasised.

The goal of my Government is to build a new Zimbabwe, based on the crown values of **honesty, transparency, accountability** and **hard work**. In this New Era, measures are being taken to vigorously spearhead the e-Government programme, not only as a means to keep in step with the ICT revolution, but also to fight corruption. This is being complemented by the concurrent drive to boost internet connectivity throughout the country. On individual cases of corruption, every case must be investigated and punished in accordance with the dictates of our laws. My Government will have a **zero tolerance towards corruption**. Economic developments require a clean Government.

Madame President, Mr. Speaker, Sir,

Allow me to reiterate that my Government is committed to entrenching a democratic society driven by respect for the **Constitution, rule of law, mutual**

tolerance, peace, and unity. To this end, Government will do all in its power to ensure that the 2018 Harmonised General Elections are **credible, free and fair.**

May I take this opportunity to wish all Zimbabweans a Merry Christmas and a Prosperous 2018.

May God bless Zimbabwe!

I thank you.