

# COUNTRY ASSISTANCE POLICY FOR THE REPUBLIC OF ZIMBABWE

Government of Japan

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## **1. Significance of Assistance to Zimbabwe**

After 2000, Zimbabwe had been reached an extremely precarious economic situation following the land reform programme, which was characterised by serious food shortages and other basic goods. Although, after the introduction of the multi-currency system in 2009, the socio-economic situation improved. However, Government's finance remained precarious and its service delivery has been poor.

On the other hand, Zimbabwe is strategically situated in the centre of the southern part of Africa from both a geographical and political point of view and is a major hub for traffic and electric transmission in the region. In addition, Zimbabwe is endowed with abundant mineral resources as well as a highly literate human resource base. Furthermore, Zimbabwe has vast flatlands with rich soil suitable for agriculture which was once known as "The Grain Basket of Africa", which indicates latent agricultural potential is high.

For these reasons, interest amongst Japanese companies in economic investment in Zimbabwe has been on the rise.

In 2013, The Government of Zimbabwe (GoZ) formulated the "Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIMASSET) aiming at tackling domestic socio-economic development.

In line with economic integration of the Southern African region lead by the Southern African Development Community (SADC), geographically, Zimbabwe is the hub of SADC meaning that poor infrastructure in Zimbabwe will impact negatively on the entire SADC economy. Therefore, the success of ZIMASSET is requisite for the stabilization and equilibrium of the whole Southern African region.

In this context, support to Zimbabwe is of great significance from the viewpoint of the strengthening of ties between Japan and Zimbabwe as well as Southern African regional stability and prosperity.

## **2. Basic Policy - Sustainable Development Assistance for ZIMASSET**

The GoZ, aiming towards sustainable socio-economic growth, has been investing in infrastructural development, human and natural resource development, food security and poverty reduction, based on the 2013 ZIMASSET.

In order to assist GoZ to achieve the sustainable development, the Government of Japan (GoJ) is devising a support mechanism for priority areas listed below.

### **3. Priority Areas**

#### **3.1. Promotion of Economic Integration within the Southern African Region**

Along with the economic integration of the Southern African region including Zimbabwe, in order to achieve stable and even development of this region comprised of many inland countries, the promotion of logistical and infrastructural development within the region are key factors to harvest Zimbabwe's rich mineral and agricultural resources. The GoJ will therefore support the promotion of those transportation linking Zimbabwe with other countries as well as the infrastructural development in general and will also support reforming various factors that hinder economic integration of the region.

#### **3.2. Effective Utilization of Resources**

There are abundant resources in this country. Not only are there mineral resources such as chrome ore, platinum and coal but touristic resources such as the world renowned Victoria Falls, vast tracts of fertile soil suitable for agriculture and highly educated human resources. The economic development of this country can be realized through the effective utilization of these resources.

In view of the foregoing, the GoJ will support not only human resource development for the private sector, but also agricultural and rural development, the development of community-based tourism etc so that the ordinary Zimbabwean can benefit from the exploitation of these resources.

#### **3.3. Assistance for Human Security of the Poor People**

In order to achieve sustainable development, a healthy and equitable society need to be established, in which poor people can benefit from economic gain, including early recovery of their living standards exacerbated by economic decline since the 2000. From a Human Security perspective, the GoJ will support GoZ's activities in the field of health such as decreasing maternal and infant mortality, the provision of clean water in rural areas and the improvement of sanitary conditions as well as ensuring food security by mitigating the negative impact of the recent climate change.

Furthermore, the GoJ will continue to support clearance of mines that continue to pose a serious threat to the lives along the Mozambican border.

### **4. Other points of consideration**

For the resumption of full-fledged bi-lateral economic cooperation, the GoJ will deliberate on GoZ's improvement of governance, the progress of the democratization process, and the respect for basic human rights together with reinforcement of its implementation and operation system, considering of its financial capacity.