



COMPETITION & TARIFF COMMISSION

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CTC NEWSLETTER



For Economic Recovery through
Fair business & Trade Practices



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PEOPLE & CULTURE

National Youth Day Exhibition & Internal Wellness Programs

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Promoting and Maintaining Competition and Fair Trade
in all sectors of the Economy of Zimbabwe



A. EDITORS' NOTE

*Editors'
Note*

To our esteemed stakeholders.

The Competition and Tariff Commission (the Commission) is pleased to share with you highlights from its activities during the first quarter (Q1) of 2026.

The Q1 edition provides a summary of mergers and acquisitions reviewed during the period including the proposed acquisition of Makasa Sun by ASB Hospitality. It also provides highlights of the presentation and exhibition at the Book Launch on "*Competition Policy and Law in Zimbabwe and Selected Sub-Saharan Jurisdictions*" authored by Dr. Friedrich Hamadziripi. The edition also provides an update on the CCCC regulations launched and Trade Tariff Handbook Training undertaken by ZIMRA for Commission staff.

The Commission is also pleased to present a series of informative and analytical articles, titled: (i) *The Role of Competition in Consumer Welfare in Zimbabwe*; (ii) *Competition in the Leasing of Retail Space in Zimbabwe*; (iii) *Competition Policy and Law: A Catalyst for investment and Economic Transformation*; (iv) *When Zero Tariffs Meet High Standards: How SPS Measures Will Shape Zimbabwe-China Horticulture Trade* (v) *Leveraging Trade Remedies for SME-Led Industrialisation*.

The Newsletter also highlights the National Youth Day exhibition and internal weekly wellness programs.



B. COMPETITION



B.1 MERGER AND ACQUISITION ACTIVITY FOR Q1 2026

Seven (7) merger transactions were handled in 2026 Q1 of 2026.



APPROVED WITHOUT CONDITIONS

- ✓ Proposed Acquisition of **Makasa Sun** by ASB Hospitality
- ✓ Proposed Acquisition of **Vertice Medtech** by Vertice Bidco



ONGOING

- ✓ Proposed Acquisition of **Dokuma** by CBZ Holdings
- ✓ Proposed Acquisition of **Caribbea Bay Hotel** by Monomatapa Hospitality
- ✓ Proposed Acquisition of **Cheetah Logistics** by Unifreight Africa Limited.
- ✓ Proposed Acquisition of **Tanganda** by Rutanhi Beverages
- ✓ Proposed Acquisition of **Safair Holdings** by Harith Aviation.

**B.2 MERGER ACTIVITY UNDER COMESA COMPETITION AND CONSUMER COMMISSION (CCCC)**

The COMESA Competition Commission recently (CCC) changed its name to the **COMESA Competition and Consumer Commission (CCCC)**, embracing consumer issues which are part of its mandate. The Commission provided information on nine (9) transactions to the CCCC in Q1 2026 as summarized below.

**CCCC TRANSACTIONS**

- ✓ Proposed acquisition of **AgriSeeds & K2** by **ETG Inputs**
- ✓ Proposed acquisition of the Entire Issued Share Capital in **Metal Crowns Limited Kenya** by **Guala S.p.A**
- ✓ Proposed acquisition by **Hartree Partners, LP** of **Touton S.A.**
- ✓ Proposed acquisition by **Oak-Eagle AcquireCo, Inc.** of **Electronic Arts Inc**
- ✓ Proposed acquisition of sole control by **Baker Hughes Company** over **Chart Industries, Inc.**
- ✓ Proposed acquisition of Joint control over **One Foods Holdings Limited** by **Halal Products Development Company**

- ✓ Proposed acquisition by **First National Bank Zambia** of the wealth and retail business of the **Standard Chartered Bank Zambia PLC**
- ✓ Proposed merger involving **Parkville Bloom Holdings Ltd** and **Parkville Holding Company B.V.**
- ✓ Proposed merger involving: **Arla Foods amba**, **Deutsches Milchkontor eG**, and **Drents Overijsselse Cooperatie Kaas U.A.**

**B.3 SUMMARY OF SELECTED MERGERS
I. PROPOSED ACQUISITION OF MAKASA SUN BY ASB HOSPITALITY****INTRODUCTION**

On 5 February 2026, the Competition and Tariff Commission (“**Commission**”) received a merger notification in terms of s34 (A) of the Competition Act [Chapter 14:28] (“**Act**”), later fully notified on 18 February 2026, of the proposed acquisition of 100% shareholding in Makasa Sun (Pvt) Ltd (“**Makasa Sun**”) by ASB Hospitality LLC (“**ASB Hospitality**”).

ASB Hospitality is an investment company incorporated in terms of the law of the United Arab Emirates; and in Zimbabwe, the company indirectly operates the **Hyatt Regency Harare The Meikles Hotel**. Makasa Sun is a property holding company incorporated in terms of the company law of Zimbabwe to hold a hospitality property in Victoria Falls (*the former Kingdom Hotel*). The company is jointly owned by First Capital Bank Limited and the **First Capital Bank Staff Pension Fund**.



From the target’s perspective, the transaction facilitates disposal of non-core assets; while from the acquirer’s perspective it facilitates expansion of its hospitality portfolio. Post merger, Makasa Sun will be wholly owned by ASB Hospitality, and the property will be renovated and reopened under a new hotel brand.



MARKET DEFINITION AND TYPE OF MERGER

The relevant markets are thus defined as the *provision of hotel services in Harare and Victoria Falls.*



COMPETITION ANALYSIS

The theories of harm associated with horizontal mergers, namely unilateral effects and coordinated effects, were analysed to determine the likely effects of the merger on competition. It was established that the merger does not result in either or both unilateral effects and coordinated effects mainly owing to the differences in the geographic markets as well as the fact that the target is currently inactive in the market. Instead, the transaction is expected to resuscitate operations at a hotel property that is currently dormant. As such, the merger is likely to have a pro-competitive effect by reintroducing a competitor into the hotel accommodation market in Victoria Falls.



CONCLUSION

In light of the analysis the Commission approved the merger without conditions.



B4. BOOK LAUNCH ON COMPETITION POLICY AND LAW IN ZIMBABWE AND SELECTED SUB-SAHARAN JURISDICTIONS

The Commission participated at the book launch published by the University of Zimbabwe entitled “*Competition Policy and Law in Zimbabwe and Selected Sub-Saharan Jurisdictions*” through presentations and exhibition. The Commission co-authored a chapter on Horizontal Agreements and a summary of the chapter was presented at the launch. The book was authored by Dr. Friedrich Hamadziripi – senior law lecturer at the University of Zimbabwe, reflecting the extent of the Commission’s cooperation with tertiary institutions in the field of competition law. The Guest of Honour was the Chief Justice of Zimbabwe, Honourable Luke Malaba who echoed the importance of the publication to Zimbabwe’s economic governance architecture as well as the importance of competition law within Zimbabwe’s broader legal and economic governance framework.



Of particular note was the contribution made by Commission staff members Ms C. Dzenga and Ms O. Maheya, who co-authored a chapter on cartels, drawing on both enforcement insights.





Their inclusion in the publication underscores the Commission’s commitment to evidence-based policy development and thought leadership in competition law enforcement. The publication represents a significant scholarly contribution to the growing body of literature at the intersection of law and economics, providing an authoritative and context-specific analysis of competition regimes within Zimbabwe and selected Sub-Saharan African jurisdictions.

The publication is poised to make a critical contribution in offering an in-depth and practical resource for policymakers, practitioners, academics, and students. By engaging with this work, academic institutions such as local universities are expected to strengthen curriculum development, research, and specialized training in competition law and economics, thereby supporting the development of a robust and competitive market environment in Zimbabwe and the region. The exhibition formed part of the Commission’s broader mandate to promote awareness, research, and discourse on competition law and policy in Zimbabwe and the wider region.

C. Trainings and Conferences

C.1 Tariff Handbook Training

In March 2026, Commission staff participated in a specialised technical training session on Tariff Handbook Administration and Classification, which was expertly facilitated by Mr E. Ngungu, a Customs and Excise Trainer from ZIMRA. The session reinforced the importance of the Harmonized System (HS) as the backbone of international

trade providing a universal, standardised language that enables countries to buy and sell goods across different legal systems and spoken languages, and to apply tariff classification consistently. Participants also revisited the key principles for arranging and classifying goods under the HS, namely: the degree of manufacture, the use or function of the product, and its constituent material.



C.2: Launch of CCCC Regulations



The Commission’s Director and Secretary represented the Commission at the launch of the December 2025’s new COMESA Competition and Consumer Protection Regulations, intended to strengthen competition regulation within the COMESA region and to safeguard consumer rights across Member States. The regulations introduce strict suspensory merger controls (mergers exceeding thresholds cannot be implemented until approved), enhance public



interest assessments, align national laws with regional standards and regulate digital markets namely specific provisions now target digital transactions that meet valuation thresholds, even if traditional asset-based thresholds are not met, addressing the digital economy's impact on competition is now a priority.

D. Informative and Analytical Articles



i. The Role of Competition in Consumer Welfare in Zimbabwe

Introduction

Promoting consumer welfare underpins competition law and policy, ensuring that markets deliver fair prices, quality products, variety, and innovation to consumers. In the Zimbabwean context, characterised by economic volatility, supply constraints, and structural market imperfections, the relationship between competition and consumer welfare becomes particularly important. Where markets are competitive, consumers benefit through lower prices and better choices. Conversely, weak competition can result in high prices, limited access, and reduced quality, disproportionately affecting low-income households. This article provides an analytical assessment of how competition dynamics influence consumer welfare in Zimbabwe, focusing on pricing behaviour, product access, quality, and market structure across key sectors.

2. Conceptual Framework on Competition and Consumer Welfare

Consumer welfare in competition analysis typically refers to the extent to which markets deliver affordable prices, product quality and safety, variety and choice and innovation and responsiveness to consumer needs. Fair and competitive markets tend to produce these outcomes because firms are under pressure to attract and retain customers. In contrast, markets characterised by high concentration or anti-competitive conduct may lead to outcomes that are detrimental to consumers. Frameworks developed by institutions such as the Organisation for Economic Co-operation and Development (OECD) emphasise that competition enhances allocative efficiency (prices reflect costs) and productive efficiency (firms operate efficiently), both of which are central to consumer welfare. The conceptual framework covers the issue of market structure, conduct of firms and anticompetitive agreements and their impact on consumer welfare.

2.1 Market Structure and Consumer Outcomes

Market structure refers to the organisation and characteristics of a market including the number and size distribution of firms, the degree of market concentration, barriers to entry and exit, and the extent of competitive interaction among firms.

2.1.1 Market Concentration and Pricing

In several Zimbabwean sectors, a small number of firms account for a large share of the market. Such concentration can reduce



contestability of markets and lead to higher prices, particularly in essential goods markets, price parallelism, where firms adjust prices in a similar manner and limited price competition despite changes in input costs. For consumers, especially those with limited income, even small price increases in basic commodities significantly reduce purchasing power.



2.1.2 Product Availability and Access

Competition also affects the availability of goods and services. In less competitive markets, supply may be restricted, distribution networks may favour certain regions or customer groups, and smaller retailers may struggle to access products. In Zimbabwe, disparities in product availability between urban and rural areas can often be linked to market structure and distribution dynamics.



2.1.3 Quality and Standards

Where competition is weak, firms may have less incentive to maintain or improve product quality. This can result in lower-quality goods, reduced adherence to safety standards and limited investment in product improvement. Conversely, competitive markets encourage firms to differentiate themselves through quality and reliability.



2.1.4 Variety and Consumer Choice

Consumer welfare is enhanced when markets offer a wide range of products. However, in concentrated markets product offerings may be limited, innovation is reduced and consumers have fewer alternatives. This is particularly evident in sectors where entry barriers are high, limiting the number of competing firms.

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2.2 Conduct and Pricing Behaviour in Essential Goods Markets

In markets for essential goods such as staple foods, fuel and basic household items, firm conduct has a direct and significant impact on consumer welfare, particularly where demand is inelastic. Because consumers cannot easily reduce consumption or switch to substitutes, firms may adjust their pricing strategies accordingly. In Zimbabwe, pricing behaviour in essential consumer markets is characterised by rapid and often disproportionate pass-through of cost increases arising from supply constraints and exchange rate movements. Such conduct, when unchecked, may undermine the objectives of competition law by weakening price competition and exacerbating welfare losses, particularly for low-income households. Effective monitoring and enforcement are therefore critical in essential goods markets to prevent conduct that exploits inelastic demand to the detriment of consumers.

2.3 Impact of Anticompetitive Agreements on Consumer Welfare

Consumer welfare can also be negatively affected by specific anti-competitive practices such as price fixing and market allocation. Such practices undermine the benefits of competition and directly harm consumers.



Price fixing is an anti-competitive conduct on the part of actual or potential competitors acting in concert, whether resulting from a written or verbal agreement or arrangement to raise, lower, maintain price



market monitoring, improved consumer awareness, enhanced enforcement by competition authorities, merger regulations and promoting pro-competitive policies. By doing so, Zimbabwe can ensure that its markets work effectively for consumers, contributing to broader economic efficiency and improved living standards.



ii. Competition in the Leasing of Retail Space in Zimbabwe

Introduction

Competition refers to a market situation where businesses independently strive for the patronage of customers, aiming to achieve profits, or grow market share. Where businesses are subject to competitive pressure from other businesses, it encourages them to improve their offerings and prices. Competition law and policy aim to prevent and regulate anti-competitive practices (such as agreements between companies to fix prices, exclusive dealing and abuse of a dominant market position) that could harm consumers or restrict competition.



Refusal to deal refers to a situation where a dominant firm in the market refuses to supply its products or services to a particular customer or competitor, without any valid economic justification. While in general each business may decide whom it wants to transact with, there are however circumstances where there may be limits on this freedom for a firm with market power. Refusal to deal is considered an anti-competitive practice if it prevents or reduces competition in the market; and where it is engaged in for the purpose of inflicting some

economic loss on the target or forcing them out of a given market.



Refusal to Deal in the Leasing of Commercial Property

The development and leasing of commercial properties in Zimbabwe is undergoing significant transformation, characterised by a shift towards large-scale, mixed-use and lifestyle retail spaces. In this context, refusal to deal may involve declining to rent out retail space, office premises, or industrial property to certain businesses without a valid economic or legal reason. In some cases, landlords may agree to lease the property but impose restrictions on what tenants are allowed to sell, thereby limiting the range of goods or services offered. Resultantly, although a business can operate, it may be prevented from selling certain products while its competitors are not subjected to the same restrictions. This can limit competition and reduce consumer choice. While property owners generally have the right to choose their tenants, this right is not absolute, particularly where it is exercised in a manner that distorts competition.



Prohibition of Refusal to Deal

In the context of property leasing, refusal to lease commercial premises can have significant effects on market access, competition, and general participation in economic activities. The Competition Act [Chapter 14:28] (the Act) provides for refusal to deal under the First Schedule as an unfair business practice, which is a form of restrictive practice. Section 42(3) of the Competition Act provides that “any person who enters into, engages in or otherwise



gives effect to an unfair business practice shall be guilty of an offence and liable: -



(a) in the case of an individual, to a fine not exceeding level twelve or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment; or

(b) in any other case, to a fine not exceeding level fourteen.”

After establishing a case of refusal to deal, the Commission refers the matter to the National Prosecuting Authority for prosecution and the appropriate level of fine is determined by the presiding officer.



Forms of Refusal to Deal in the Leasing of Properties

These take the form of the following:

- > **Outright Refusal to Lease** – involves an outright refusal occurs when a landlord declines to lease premises to a potential tenant, such as a competitor of an existing lessee or new market entrant, without any objective justification. Where a landlord refuses to lease space to a new supermarket chain solely to shield an existing tenant from competition, the conduct may be exclusionary.
- > **Conditional Leasing** - involves imposing terms that restrict how tenants conduct business. Common examples include exclusivity clauses (e.g., only one supermarket allowed in a mall), non-compete clauses preventing tenants from stocking rival brands, or requirements to source goods from specific suppliers.



Selective Leasing – arises where landlords favour certain tenants over others without clear, objective, and transparent criteria. While tenant selection is a legitimate commercial decision, competition concerns arise when decisions are based on protecting incumbents rather than efficiency.



Effects of Anti-Competitive Conduct in the Leasing of Properties

- > **Market Foreclosure** - Refusal to lease retail space in shopping malls can prevent competing businesses from accessing strategically located premises that are essential for competitive market participation. Where a landlord controls prime or scarce retail space, denying access to certain tenants, particularly new entrants, can significantly reduce competition within the relevant retail market.
- > **Harm to Consumer Welfare** - Limiting the number and diversity of tenants in a shopping mall reduces competitive pressure among retailers. This may result in higher prices, fewer product choices, and lower quality goods or services for consumers, as dominant or incumbent tenants face little to no rivalry within the mall environment.
- > **Establishment or Preservation of Market Dominance** - Refusal to lease premises can enable existing tenants to strengthen or maintain their dominant position in the market. By limiting access to retail space for competitors, particularly in prime locations, landlords may indirectly support the continued dominance of certain businesses and reduce their competitive pressure.
- > **Barriers to Entry** - The perception or reality that access to prime retail space is restricted



can discourage prospective businesses from entering the market altogether. This is particularly significant in Zimbabwe, where modern retail infrastructure may be concentrated in a few key locations. Such barriers to entry can stifle entrepreneurship, limit investment, and slow overall economic growth.



What Can be Done to Promote Competition?

To address these concerns, affected tenants and businesses are encouraged to take proactive steps. Suspected cases of refusal to deal can be reported to the Competition and Tariff Commission mandated to investigate anti-competitive practices. Businesses are also encouraged to document any anti-competitive communication or conditions imposed during the negotiation process, as this information may be useful in establishing whether the refusal was justified. On the other hand, landlords and property owners have a responsibility to ensure that their leasing practices are fair, transparent, and compliant with competition law and policy. Applying objective and non-discriminatory criteria when selecting tenants can promote a competitive environment.



Conclusion

Refusal to deal, particularly in the leasing of retail property, presents a delicate balance between contractual freedom and the need to preserve competitive markets. Landlords are generally free to choose their tenants; however, this discretion is curtailed where it is exercised in a manner that distorts competition or entrenches market power. While refusal to lease is not automatically unlawful in Zimbabwe, it becomes

problematic when it is used as a tool to exclude competitors, entrench dominance, or undermine consumer welfare.



iii. Competition Policy and Law: A Catalyst for Investment and Economic Transformation

Introduction

Competition policy and law serve as a critical catalyst for investment and economic transformation by ensuring that markets operate in a fair, transparent, and competitive manner. In Zimbabwe, this mandate is entrusted to the Competition and Tariff Commission (“Commistion”), established under the Competition Act [*Chapter 14:28*]. The Commission is responsible for regulating market conduct through the control of mergers and acquisitions, the prevention of restrictive practices and the prohibition of abuse of dominance. These interventions ensure maintenance of fair competition and creation of a level playing field for market participants in all sectors of the economy of Zimbabwe. In executing its mandate, the Commission plays both a corrective and preventative role. It addresses conduct that distorts competition while also safeguarding markets from structural changes that may undermine competition in the future through merger regulation. This forward-looking approach ensures that markets remain open, dynamic, and conducive to innovation and growth.

Competition Policy as a Catalyst for Investment

A well-functioning competition regime is a key determinant of investment attractiveness. Investors are more likely to commit capital in



environments where rules are clear, enforcement is consistent, and markets operate without undue distortions. Competition policy and law provide this assurance by promoting a level playing field in which firms compete based on efficiency, innovation, and value creation. An important channel through which competition policy facilitates investment is the regulation of mergers and acquisitions. Mergers and acquisitions are a key mechanism for capital inflows, business expansion, market entry, and restructuring. Through a transparent and predictable merger control framework, the Commission provides regulatory certainty to investors seeking to undertake such transactions.

Effective merger regulation ensures that transactions which are pro-competitive and efficiency-enhancing are not unnecessarily impeded, while those that may substantially lessen competition are appropriately assessed and, where necessary, remediated. This balance is critical in safeguarding market structure while at the same time enabling investment-driven growth. By providing clarity and confidence in the review process, competition policy supports both domestic consolidation and foreign direct investment. Beyond safeguarding fairness, competition policy actively stimulates investment by compelling firms to innovate and improve productivity. Competitive pressure encourages firms to invest in new technologies, expand capacity, and improve the quality of goods and services. This drives capital formation, supports enterprise development, and contributes to broader economic dynamism.



Competition Policy in Support of National Economic Policies

The catalytic role of competition policy and law becomes even more pronounced when viewed within the broader context of Zimbabwe's national development agenda. Vision 2030 sets out the aspiration of transforming Zimbabwe into a prosperous and empowered upper middle-income economy, a goal that is heavily dependent on sustained investment across key sectors.

The National Development Strategy 2 (2026–2030) places emphasis on private sector-led growth, industrialisation, value addition, and economic competitiveness. These priorities require a policy environment that fosters efficient markets and encourages investment. Competition policy directly supports these national objectives by promoting market openness, facilitating entry and expansion of firms, and preventing anti-competitive conduct that may stifle innovation and growth. In doing so, it creates conditions necessary for industrialisation particularly in sectors that require significant capital investment and technological advancement.

Moreover, by strengthening transparency, accountability, and the rule of law, competition policy reinforces key pillars of good governance that are essential for attracting long-term investment. A competitive and well-regulated market environment ensures that investment flows into productive sectors and contributes to inclusive and sustainable economic growth. In this way, competition policy and law serve not only as regulatory tools but also as strategic enablers of Zimbabwe's economic transformation agenda.



COMPETITION & TARIFF COMMISSION



Conclusion

Competition policy and law are central to Zimbabwe’s pursuit of investment-driven economic transformation. By ensuring that markets remain fair, transparent, and contestable, the Commission plays a pivotal role in shaping an environment conducive to investment. As Zimbabwe advances toward the attainment of Vision 2030, the importance of a strong and effective competition regime cannot be overstated. It not only safeguards market integrity but also catalyses investment, supports industrialisation, and promotes inclusive economic growth. Strengthening competition policy and its enforcement therefore remain essential in unlocking Zimbabwe’s full economic potential and achieving sustainable development.



iv. When Zero Tariffs Meet High Standards: How SPS Measures Will Shape Zimbabwe-China Horticulture Trade

Introduction

Zimbabwe’s horticultural trade relationship with China is entering a new phase following the conclusion of export protocols for several high-value fruit products and the prospect of improved tariff treatment. In recent years, Zimbabwe and China have signed phytosanitary export protocols embracing citrus, avocados and blueberries, establishing a formal framework for Zimbabwean producers to access the Chinese market. These protocols expand the range of horticultural products eligible for export and provide a clearer basis for commercial engagement between producers, exporters

and buyers in both countries. These protocol developments have coincided with China’s offer to remove tariffs on imports from African countries, including Zimbabwe, under which least developed countries receive duty-free treatment while developing countries including Zimbabwe benefit through reciprocal arrangements. This initiative significantly enhances Zimbabwe’s competitiveness in the Chinese market and strengthens the case for positioning horticulture as a key driver of export growth.

In 2025, Zimbabwe exported horticultural products valued at approximately US\$11.62 million to China, with macadamia nuts accounting for the bulk of trade. The inclusion of citrus, avocados and blueberries under bilateral export protocols, together with growing direct engagement by Chinese buyers with Zimbabwean producers, positions the horticulture sector for expansion. As product coverage broadens and tariff barriers fall, horticulture is emerging as a strategic component of the Zimbabwe-China trade relationship, setting the stage for increased volumes, deeper commercial partnerships and a more diversified export basket.



SPS Measures and Why They Matter?

To export fresh horticultural produce to China, Zimbabwean exporters must comply with Sanitary and Phytosanitary (SPS) requirements that govern plant health, food safety and traceability. These requirements cover a wide range of controls, including pest and disease management in orchards, limits on pesticide residues, strict handling and packing procedures, cold chain management, and full traceability of production and export



processes. Compliance is not assessed at a general level but at consignment level. Each shipment must be accompanied by a phytosanitary certificate confirming that it meets China's import conditions. Even a single detection of a quarantine pest can trigger serious consequences, including rejection of consignments, suspension of specific orchards or packhouses, and in some cases broader trade restrictions on the exporter or country.

Practically, SPS compliance begins long before harvest. It requires continuous monitoring in the orchard, documented pest surveillance systems, approved agrochemical use, and adherence to prescribed harvesting and post-harvest handling standards. Exporters must also ensure that packing facilities meet approved hygiene standards and that cold storage systems can maintain required temperatures throughout the supply chain. In the case of citrus exports to China, the requirements are particularly specific. China requires that citrus fruit exported into its market must not be fumigated. Instead, exports must be subjected to an approved cold treatment regime designed to eliminate or neutralise quarantine pests while preserving fruit quality. This reflects a shift towards alternative phytosanitary treatments that rely on temperature control rather than chemical fumigation. The protocol for fresh avocados, on another note, sets out:

- Registration and approval of orchards, packhouses and treatment facilities by both Zimbabwean and Chinese authorities.
- Requirements on orchard sanitation, pest surveillance and harvesting to minimise infestation risks.
- Conditions on post-harvest handling, including sorting, packing and, where applicable, cold treatment or other procedures specified in the protocol.
- Phytosanitary certification of each consignment, confirming compliance with the agreed measures.

While tariff removal eliminates customs duties at the border and enhances price competitiveness, sanitary and phytosanitary (SPS) measures determine whether a product is permitted to enter the market at all. In effect, tariff liberalisation reduces the cost of access, whereas SPS requirements define the conditions of entry. A product may be competitively priced, but without full SPS compliance, it cannot be traded. Zero tariffs may open the door, but SPS measures ultimately determine who is allowed through it. In practice, SPS measures have emerged as one of the most influential instruments shaping global agricultural trade. They function as technical gatekeepers, determining which producers can access high-value markets and under what conditions. For developing country exporters such as Zimbabwe, the capacity to comply with SPS requirements is therefore just as critical as tariff preferences in determining actual export performance.



Lessons From Other Horticulture Exporters

Zimbabwe's experience fits a broader pattern seen in other exporting countries. Kenya's avocado exports to China, for instance, were heralded as a breakthrough, but early



implementation revealed that stringent SPS conditions on orchard registration, fruit maturity and cold treatment restricted participation mainly to organised producers able to meet the requirements. Similarly, African fruit and vegetable exporters to the European Union often cite pesticide residue limits, maximum levels for contaminants and certification demands as major challenges. While designed to protect consumer health, SPS measures impose significant compliance costs, particularly on smallholders and smaller firms that lack access to laboratories, technical advice and finance. Preferential tariffs under Economic Partnership Agreements (EPAs) reduce border taxes, but do not resolve these regulatory constraints. These examples underline a key point for Zimbabwe, that market access in name is not the same as market access in practice and that the real test is whether exporters can consistently meet the SPS conditions attached to that access.



Economic Reasoning: Who Gains, Who Is Left Behind?

From an economic perspective, SPS measures create both opportunities and challenges. On one hand, they can support long-term competitiveness by pushing producers to adopt better farming practices, improve quality, and invest in traceability systems. Access to demanding markets like China and the European Union often brings higher prices and more stable demand for compliant suppliers. On the other hand, SPS compliance involves high fixed costs. Upgrading orchards, building or refurbishing packhouses, establishing cold chains, and obtaining certifications require substantial

capital and technical capacity. These investments are easier for larger estates and export-oriented companies than for smallholders operating on thin margins. Without deliberate inclusion strategies, SPS protocols risk creating a dual horticulture sector in which a formal, export-oriented tier serves distant markets while a more informal tier remains confined to local markets with lower returns.

This has distributional implications. If only a small group of producers can meet SPS standards for China, the gains from zero tariffs and new protocols may be concentrated, while wider rural communities see limited benefit.



Making SPS Work for Zimbabwe's Horticulture

To convert the Zimbabwe–China protocols into broad-based growth, several elements are critical:

- **Strengthening domestic SPS capacity:** Investment in inspection services, laboratories, pest surveillance and extension support is needed so that national authorities can implement protocols reliably and respond quickly to any incidents.
- **Promoting inclusive value chains:** Out-grower schemes, contract farming and cooperative models can facilitate smallholder participation in export markets by linking them to compliant packhouses and providing technical support on good agricultural practices.
- **Ensuring predictability of rules:** Continuous engagement with Chinese authorities is necessary to



ensure that SPS measures remain transparent, science-based, and predictable, and that any changes are communicated in a timely manner to allow producers to adjust.

- **Diversifying markets and products:** While China represents an important export destination, exploring alternative markets and value-added products (such as processed or frozen fruit) can reduce reliance on a single SPS regime and spread risk.

In this way, SPS measures can evolve from being perceived as barriers to being recognised as benchmarks that support Zimbabwe's transition towards higher-value, quality-assured horticultural exports.

Conclusion

The finalisation of export protocols for avocados and blueberries, together with China's zero-tariff treatment for African imports, marks a turning point for Zimbabwe's horticultural exporters. While tariffs are being dismantled, sanitary and phytosanitary (SPS) measures are becoming the decisive factor in determining who can trade and under what conditions.

For Zimbabwe, the next phase of horticultural growth will be driven less by tariff preferences and more by the capacity of farmers, firms and institutions to comply with stringent SPS standards. With targeted investments in compliance systems, inclusive value chains and market diversification, SPS protocols can shift from being barriers to becoming enablers, positioning Zimbabwean produce not only to enter the Chinese market

duty-free, but to remain competitive as a trusted, high-quality choice for consumers.

v. Leveraging Trade Remedies for SME-Led Industrialisation

Introduction

Small and Medium Enterprises (SMEs) are the backbone of Zimbabwe's economy, contributing significantly to employment creation, income generation, and industrial development. According to ZIMSTAT, SMEs employ between 76.1% to 79.3% of Zimbabwe's working population. Operating across manufacturing, agro-processing, mining services, and retail, SMEs are central to Zimbabwe's industrialisation and value-addition agenda. However, their growth is increasingly threatened by import competition, particularly from low-priced or unfairly traded products. In this context, trade remedies, administered by the Commission, emerge as powerful but underutilised instruments. Properly applied, they can shield SMEs from unfair trade practices, stabilise domestic markets, and provide the breathing space needed for restructuring and long-term competitiveness.

Challenges Facing SMEs in Zimbabwe's Economic Development

SMEs account for a substantial share of Zimbabwe's productive activity and act as a critical bridge between informal enterprises and large-scale industry. SMEs are estimated to contribute just below 50% to 60% of Zimbabwe's GDP. Many SMEs operate as suppliers to larger firms, thereby strengthening domestic value chains. Despite their central role in driving industrialisation,



SMEs in Zimbabwe face persistent and multifaceted challenges that constrain their growth and competitiveness. High production costs, limited access to affordable finance, technology gaps, and inadequate infrastructure weigh heavily on their operations. Many SMEs also struggle with weak bargaining power and limited market reach, making them vulnerable to external shocks. These structural constraints are further compounded by import competition. Products entering Zimbabwe at unfairly low prices, often the result of dumping or foreign subsidies, distort market dynamics and erode the viability of local enterprises. Sudden surges in imports intensify the pressure, destabilising domestic markets, squeezing profit margins, and undermining long-term investment confidence. What begins as a pricing distortion quickly escalates into a broader threat to competitiveness, employment, and the resilience of the national economy.

Trade Remedies as a Strategic Tool for SME and Industrial Support

For Zimbabwe's SMEs, unfair import competition is one of the most pressing threats to survival and growth. Trade remedies are legal instruments designed to counter these practices. They do not provide blanket protection, but when applied effectively, they safeguard local productive capacity, stabilise markets, and give SMEs the breathing space needed to adjust and compete.

Three main types of trade remedies are recognised under international trade rules, each addressing a different form of unfair competition. **Anti-dumping measures** are applied by Governments when

foreign producers sell goods in Zimbabwe at prices below their normal value or cost of production. While this practice can rapidly erode SME market share, anti-dumping duties restore fair competition by offsetting price distortions. **Countervailing measures** deal with imports that benefit from foreign government subsidies. Subsidised goods often enjoy artificially low costs, leaving Zimbabwean SMEs at a severe disadvantage. Countervailing duties neutralise these unfair advantages and protect local enterprises. **Safeguard measures** are applied when a sudden surge of imports threatens serious injury to domestic industry. They provide temporary relief, allowing SMEs to restructure, upgrade technology, and reposition themselves competitively.

Together, these instruments serve as a strategic toolkit for SMEs. They protect vulnerable sectors from being displaced, promote more predictable market conditions, and support industrial adjustment. Trade remedies are temporary by design, they are meant to give SMEs time to strengthen their productive capacities, improve efficiency, and prepare for sustainable growth in an increasingly open market. Their effective use depends on thorough investigation and sound administration, a role carried out by the Competition and Tariff Commission. By assessing import volumes, pricing practices, and the injury suffered by domestic industries, the Commission ensures that trade remedies are applied transparently, lawfully, and in the national interest. For SMEs, understanding and engaging with these instruments is essential to defending their role in Zimbabwe's industrialisation agenda.



The Role of the Commission

The Commission is Zimbabwe’s statutory authority mandated to investigate and administer trade remedies in accordance with national legislation and international trade rules. The Commission is responsible for conducting anti-dumping, countervailing, and safeguard investigations. In undertaking these investigations, the Commission assesses a number of factors including, *inter alia*: -

- The volume and pricing of imported products;
- The existence of dumping, subsidisation, or import surges;
- Injury or threat of injury suffered by the domestic industry;
- Causal links between imports and injury;
- The broader public interest, including employment and consumer welfare; and
- Appropriate remedies to recommend to the Minister responsible for Industry.

The Commission heavily relies on information supplied by affected industries and thus serves as a technical interface between policy and business, including SMEs.



What SMEs Should Do to Effectively Use Trade Remedy Instruments

Despite availability of trade remedy instruments, SME utilisation remains low. To effectively benefit, SMEs should adopt the following approaches:

(i) Document Evidence of Injury

SMEs should maintain basic but reliable records on production levels, sales trends, prices, employment, and market share. This data is critical to demonstrating injury or threat of injury caused by imports.



(ii) Lodge Formal Complaints or Applications

SMEs, individually or through associations, may submit formal applications to the Commission for trade remedy investigations. Early engagement is essential before irreversible damage occurs.



(iii) Participate Actively in Investigations

Once an investigation is initiated, SMEs must cooperate fully by completing questionnaires and providing supporting documentation. Non-participation weakens the evidentiary basis for remedial action.



(iv) Use Trade Remedies as Adjustment Tools

Trade remedies should be viewed as temporary adjustment mechanisms, not permanent protection. SMEs should use the relief period to improve efficiency, upgrade technology, enhance quality, and prepare for long-term competitiveness. Trade remedies are most effective when complemented by broader SME support measures such as access to finance, skills development, infrastructure improvement, and export market development.



Conclusion

The strategic and effective use of trade remedies offers significant opportunities to strengthen SME growth in Zimbabwe by addressing unfair trade practices that undermine domestic industry. The



Commission plays a central role in ensuring that trade remedies are applied transparently, lawfully, and in the national interest. For SMEs, the primary challenge is not the absence of protection, but limited awareness and engagement. By organising collectively, documenting injury, and actively cooperating with the Commission, SMEs can transform trade remedies into powerful tools for industrial development, employment retention, and long-term competitiveness. Strengthening SME participation in the trade remedy processes is therefore essential to building a resilient and inclusive Zimbabwean economy.

E. Internal Activities

E1. Weekly Wellness Activities

Staff wellness has become a major concern in organizations and CTC has not been left behind as it continues to support its members through various sporting activities. On a weekly basis, the staff is treated to a half day away from the office to exercise the body that works.



F. National Youth Day Exhibition

The Commission participated in the National Youth Day Exhibition held on 21 February 2026 at Igaya Vocational Training Centre in Marondera. The event was convened under the theme “Youth Agenda for Transformation.” National Youth Day, commemorated annually in Zimbabwe, serves as a strategic platform for recognising and celebrating the critical role that young people play in the country’s political, social, and economic development. The 2026 commemorations attracted more than 20,000 youths from across the country, demonstrating the scale and national significance of the event. The exhibition provided a unique opportunity for Government ministries, regulatory bodies, development partners, and private sector institutions to interact directly with young people on matters relating to empowerment, employment creation, entrepreneurship, and nation building. The primary objective of the Commission’s participation was to enhance awareness of its mandate and functions among the youth constituency. In addition, the Commission aimed to provide career guidance to students and young professionals.



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*See you in the Commission's
next Newsletter!*

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