HON. P. D. SIBANDA’S POINT OF ORDER ON WHETHER PARLIAMENT HAS OVERSIGHT ROLE OVER THE OFFICE OF THE PRESIDENT AND THE CONSEQUENCES OF STANDING ORDER NUMBER 93 (1) (b)

THE HON. SPEAKER: On the 10th February, 2016, Hon. P. D. Sibanda rose on a point of order in terms of Standing Order Number 69 of the Standing Rules and Orders of the National Assembly, seeking guidance on whether Parliament has oversight over the Office of the President and further, whether reference to the use of the name of the
President in the House goes against protecting the integrity and the name of the Office of the President.

**Oversight of the Office of the President**

Parliament exercises oversight on the Executive in line with the provision of the Constitution and its Standing Rules and Orders. Section 119 (2) and (3) of the Constitution of Zimbabwe states that –

“(2) Parliament has power to ensure that the provisions of this Constitution are upheld and that the State and all its institutions and agencies of Government at every level act constitutionally and in the national interest”.

“(3) For the purposes of subsection (2), all institutions and agencies of State and Government at every level are accountable to Parliament”.

Section 299 of the Constitution of Zimbabwe further amplifies the oversight role of Parliament over all institutions and agencies of the State in respect of State revenues and expenditures.

Standing Order No. 20 (d) of the National Assembly states that a Portfolio Committee must:
“Monitor, investigate, inquire into and make recommendations relating to any aspect of the legislative programme, budget policy or any other matter it may consider relevant to the Government department falling within the category of affairs assigned to it.”

Further, individual Members of Parliament can raise questions on any matter of public policy through the Question Time during sittings. They can also move motions that relate to areas of their interest that require responses from a Vice President or a relevant Government Minister or Deputy Minister.

The term “every level” in Section 119 of the Constitution of Zimbabwe, therefore, encompasses the office of the President as he exercises his executive authority through Cabinet as provided for in Section 88 (2) of the Constitution. The Cabinet includes the Vice-Presidents and Ministers, who under Section 107 (2) of the Constitution of Zimbabwe, are accountable to Parliament and must attend Parliament to answer questions. Furthermore, Section 141(3) of the Constitution of Zimbabwe states that “the President may attend Parliament to answer
questions on any issue as may be provided in the Standing Orders”.

Therefore, the Constitution envisages that the President may come before Parliament to answer questions relating to his office.

**Use of the Name of the President in Debate.**

Standing Order No. 93(1) (b) of the Standing Rules and Orders of the National Assembly states that:

“No member shall, while speaking to a question use the name of the President irreverently in debates or for the purpose of influencing the House in its deliberations."

There are two essential elements in that Standing Order that I will address, namely ‘use of the name of the President irreverently’ and ‘use of the name of the President for the purposes of influencing the House in its deliberations’. Irreverently means in a manner not showing respect to something or somebody that other people usually respect. The expectation in this regard is that Hon. Members in their debates should not use the name of the President in a discourteous or disrespectful
manner. Use of the name of the President in a courteous and respectful manner is, therefore, tolerated.

In respect to the use of the name of the President to influence the House, I will quote the celebrated writer Erskine May in “Treatise on The Law, Privileges, Proceedings and Usage of Parliament” who indicated that in England, the use of the Queen’s name to influence debate is:

“unconstitutional in principle and inconsistent with the independence of Parliament and any attempt to use her name in debate to influence the judgment of Parliament is immediately checked and censured”

“It is unparliamentary and inconsistent with the independence of a legislative body to refer to the name of the Executive in order to influence the vote”.

The above positions are premised on the fact that there are authorised ways for bringing the Executive and, in our case, the President’s messages to Parliament through his appointees, the Cabinet
Ministers. However, the above limitation does not apply to statements of facts by Ministers or Members of Parliament. What is sanctioned is the attempt to use the name of the President to influence unduly the decisions by Parliament.

*Ruling by the Chair stands as follows :-*

Accordingly, the Chair hereby rules that –

(i) The Office of the President is subject to oversight by Parliament in terms of the procedures aforementioned above.

(ii) Reference to the name of the President in debate is allowed, provided that it is done fairly, respectful courteously to the High Office of the President.

(iii) A reference to the name of the President of Zimbabwe in order to influence deliberations in the House or decisions is inconsistent with Standing Orders 93 (1) and will not be tolerated in view of the fact that the President is the Head of
State and Government and Commander-in-Chief of the Defence Forces of Zimbabwe.

ANNOUNCEMENT BY THE HON. SPEAKER

PETITION FROM THE PUBLIC POLICY RESEARCH INSTITUTE OF ZIMBABWE AND ITS PARTNERS IN CIVIL SOCIETY

THE HON. SPEAKER: I have to advise the House that on the 25th of February, 2016, Parliament of Zimbabwe received a petition from the Public Policy Research Institute of Zimbabwe and its partners in civil society beseeching Parliament to ensure that relevant Government Ministries and department implement Chapter 14 of the Constitution.

The petition has since been referred to the Portfolio Committee on Local Government, Public Works and National Housing.

MOTION

BUSINESS OF THE HOUSE
THE MINISTER OF SMALL AND MEDIUM ENTERPRISES AND CO-OPERATIVE DEVELOPMENT (HON. NYONI): I move that Orders of the Day Numbers 1 to 43 be stood over until Order Number 44 is disposed of.

Motion put and agreed to.

MOTION

FIRST REPORT OF THE PORTFOLIO COMMITTEE ON SMALL AND MEDIUM ENTERPRISES AND CO-OPERATIVES DEVELOPMENT ON THE ROLE, MANAGEMENT AND IMPACT OF HOUSING CO-OPERATIVES ON THE DELIVERY OF NATIONAL HOUSING IN ZIMBABWE


Question again proposed.
THE MINISTER OF SMALL AND MEDIUM ENTERPRISES AND CO-OPERATIVE DEVELOPMENT (HON. NYONI): Mr. Speaker Sir, I rise to thank the Committee and I want to also add my voice to that report. Although co-operatives have been in existence in Zimbabwe since 1950s, especially in the white farming community, it was not until 1989 that the first housing co-operative *Kugarika Kushinga* came into being. Since then, the co-operative sector has outstripped all other sectors in the co-operative movement in Zimbabwe, consisting of 83% of all registered societies today.

The reason for these leaps and bounds in the growth of housing co-operatives is too pronged. Firstly, the low income earners saw housing co-operatives as the only viable option open for them to own houses as opposed to be on local authority’s waiting list into perpetuity. Secondly, there is evidence that housing co-operatives work, they worked and they still work. People who would never have dreamed of owning houses were becoming and continue to become home owners. The local authorities and any other authorities tasked with the provision of
national housing to low income earners were at this point finding their mandate very difficult.

The local authorities could not even manage to service residential stands, let alone construct houses for the poor people in Zimbabwe. This is the void which housing co-operative moved to fill. They became housing providers by default and they continue to do so for the low income people of this nation.

In the Housing delivery process, the most expensive component is servicing the stands. This is what the local authorities demanded that local housing co-operatives undertake first in full and to very stringent standards before embarking on housing construction. After they had sunk all their meager savings in servicing stands, the housing co-operatives would now struggle to build their own houses. The local authority says housing co-operatives are dysfunctional and they are projects take forever to complete.

Mr. Speaker Sir, the reasons are that they have to be working from their meager savings. These are people at the bottom of the social
economic ladder who have been accomplishing what an institution like Harare City Council or any other local authority has been failing to do for decades. Mr. Speaker Sir, let me give you success stories of the housing co-operatives in this country.

Mr. Speaker Sir, 94 840 houses were built between 2010 and 2015 throughout the country. During the same period 46 267 houses were under construction at various stages. This is according to the National Housing Co-operative Federation.

2. Various cooperatives have received title deeds. Meaning very poor people at the economic pyramid now own title deeds and they can move from here to borrow money to move into other economic activities. These include Hatfield Extension Cooperative, Mupedzahondo Cooperative in Glen Norah; Three Stars Cooperative in Glenview, Kambuzuma Cooperative in Kambuzuma, Mufakose Cooperative, Sunshine Cooperative in Crowborough, Rutendo Housing Cooperative in Budiriro and New Generation Housing Cooperatives in
Dzivarasekwa. Next week, I will be handing over title deeds to a cooperative in the City of Bulawayo.

3. Over 500 housing cooperatives in Harare through use of their own resources are undertaking land development starting from the initial stages of doing Topo surveys, road drawings and clearance, sewerage and water reticulation, together with road construction up to tarmac level. A good example is Hopely B Housing Cooperative Union which has constructed state of the art septic tanks to cater for the community of about 2 400 families. This is despite being made up of low income earners.

Zimbabwe is ranked as number one in housing cooperative development in Africa. Having over 4 000 registered housing cooperatives with over 500 000 members nationwide. This is according to the International Cooperative Alliance in 2015. Other countries such as South Africa, Malawi and Uganda have visited Zimbabwe to learn from us and our experience. – [HON. MEMBERS: Hear, hear] –
These successes have been made possible by the strength that housing cooperatives enjoy as a vehicle for low income housing delivery. These strengths include the following:-

- cooperatives have power to organise members;
- cooperatives have power to organise beneficiaries;
- cooperatives enjoy power in membership through mobilising resources; ownership of properties by its members;
- there is power of social cohesion in cooperatives;
- they are administered under a regulatory framework Cooperative Society Act, Chapter 24 that sets out that rules and regulations on forming, operating and winding up of housing cooperatives should be thus: -

(i) By-laws: rules and regulations that guide the conduct of the Cooperative members;

(ii) Cooperative development Policy of 2005 to be read in
conjunction with the Act and

(iii) Cooperatives also have the definite principles which guide their operations.

**Challenges experienced by the housing cooperatives in Zimbabwe**

Mr. Speaker Sir, despite these successes cooperatives face a myriad of challenges:-

1. High cost of land servicing, considering that the cooperatives are composed of members from the low income earners, they have assumed the roles of local authorities. By this I mean Topo survey, pegging and actual servicing of the land. This has prolonged the period taken to finish up their projects within expected periods.

2. Political interference through various political statements from politicians influencing members not to adhere to the provisions of the Act. For example, sometime in October 2013, members were encouraged not to pay which is illegal according to the Cooperative Act.
3. Unilateral land allocation to Cooperatives, local authorities sometimes allocating land to some individuals in the name of cooperatives. For example in Chitungwiza, United We Stand Multipurpose Cooperative was allocated thousands of housing stands when in actual fact United We Stand was not a housing cooperative. In Dzivarasekwa Extension, Nehanda Housing Cooperative was allocating a whole farm when the membership at registration of the cooperative was 30. This tendency has created land barons.

4. Allocation of land to cooperatives that has not been legally acquired. For example Leopold Takawira Housing Cooperative, Ushewokunze and cooperatives in Caledonia were allocated land that was not yet fully acquired. This has made meaningful development fail to take place in these areas. Due to lack of resources

THE HON. SPEAKER: Order, order, I have identified three members on my left who are very disruptive against the Standing Orders 106. Please revise your Standing Orders and behave accordingly, Hon. Minister.
HON. NYONI: Thank you Mr. Speaker Sir,

5. Due to lack of resources, there has been lack of comprehensive monitoring of all registered housing cooperatives.

6. Of late, there has been unlawful issuing of individual leases to cooperative members by certain authorities which is against the spirit of cooperatives. This has resulted in unnecessary disputes between members and has however prolonged period of servicing the land since members efforts will end up being concentrated on unnecessary legal fights and creating uncertainty on development of the project. For example is the Zvakatanga Sekuseka and Sally Mugabe Cooperatives.

7. Imposition of land developers on cooperatives. The Minister of Small and Medium Enterprises and Co-Operative Development has witnessed the imposition of disreputable land developers in recent years. These land developers in most cases do not have the capacity to develop land and have ended up fleecing money from the cooperators without bringing any development at all. Examples of these cooperatives which have developers imposed on them are Pungwe, Chimurenga in Harare
South where the developer sold 700 stands belonging to the society and did nothing on the ground. More than 100 cooperatives in Harare North had a land developer imposed on them but until now, there is no development to talk about.

8. Formation of Housing Consortium by local authorities.

This has made it impossible for the Registrar of Cooperatives which resides in my Ministry to monitor activities in these consortiums. Formation of housing consortiums is outside the ambit of the Cooperatives Societies Act. Primary registered co-operatives have been forced by local authorities to form consortiums upon being allocated residential stands. Consortiums are not registered under the Act of Parliament. Corruption tendencies have manifested in these institutions as there is no regulatory framework that compels them to comply with tenets of good corporate governance.

Lastly, Mr. Speaker Sir, some cooperatives have invaded municipality land and this has been largely necessitated by failure of council to come up with clear procedures on how they allocate land to
various cooperatives, e.g. Mushamukuru Housing Cooperative in Harare where the city authorities were accused of allocating land to other cooperatives living out Mushamukuru Housing Cooperative that had used its own resources to process the plan for the area; the plan number is given.

**Conclusion and Recommendation**

1. We need to establish a functional Inter-Ministerial Committee that investigates challenges of Housing Co-operatives in and around Harare. Let me emphasise that other areas are doing very well. Most of the problems that are associated with co-operatives are found in our capital city, so let us bear in mind that the rest of the country is doing a fantastic job.

2. Local authorities should allocate stands to cooperatives according to their membership registers. Ministries should liaise on allocation of stands.

3. Ministries should focus on their official mandates and not encroach on other Ministries mandates as this will result in undermining each
other and presenting a confused stance by Government operations, e.g. Administration of the cooperatives is under the Ministry of Small and Medium Enterprises and Cooperative Development. The land Development is under the Ministry of Local Government, Public Works and National Housing. Those two mandates should be kept separate.

4. Local Authorities should not impose land developers to cooperatives, instead they should engage developers that have capacity to service the land and then sell them to the cooperatives.

5. The Ministry of Local Government, Public Works and National Housing should actually complement the Ministry of Small and Medium Enterprises and Cooperative Development by making good corporate governance a condition of continued occupation of land by housing cooperatives; they should not make it easy for corruption to creep in. Any housing cooperative which does not have any books audited and convene an annual general meeting will have its offer letter invoked.

Mr. Speaker Sir, I would like to thank the Portfolio Committee. In their report, they made very good recommendations. Let me assure the
Committee and this House, that my Ministry has started implementing those recommendations and would like to thank them for their good work. I thank you.

HON. MANGAMI: May I also take this opportunity to thank the Minister for responding to our Committee Report. We are very much happy that truly some of the implementations of the recommendations have been taken note of especially taking the Kenyan model. I want to thank Hon. Members who have contributed to this motion. Many Hon. Members contributed to this motion. It is unfortunate that I was not aware of the date which the Minister was going to respond but however, I cannot mention everyone by name but only a few whom I still remember, Hon. Zemura who seconded my motion and Hon. Maridadi.

Hon. Speaker, we actually want the Ministry to speed up the improvement of the Cooperative Act so that it has got teeth to bite in order for those cooperatives which are defaulting to be taken to account. Those which are not registered should be registered as you have said. It is a good idea that the nation should continue having cooperatives but
we should advocate for proper building double storeys so that we do not have houses mushrooming everywhere. If we have these, we are going to accommodate so many people because at the moment land is being exhausted by building small houses. In other countries, they are building double storey and 100 square meters can accommodate about 2000 people. It is high time we stop approving buildings that do not accommodate many people because we no longer have the land.

Lastly Mr. Speaker Sir, may I ask for the adoption of the report on the Portfolio Committee for Small and Medium Enterprises and Cooperative Development. I thank you.

Motion that: This House takes note of the First Report of the Portfolio Committee on Small and Medium Enterprises and Cooperatives Development on the Role, Management, and Impact of Housing Co-operatives on the delivery of National Housing in Zimbabwe.

Motion put and agreed to.
MOTION

BUSINESS OF THE HOUSE

HON. TOFFA: I move that all Orders of the Day be stood over until Order of the Day, Number 11 has been disposed of.

HON. DR. MUKANDURI: I second.

Motion put and agreed to.

MOTION

REPORT OF THE 38TH PLENARY ASSEMBLY OF THE SADC PARLIAMENTARY FORUM

HON. TOFFA: I move the motion standing in my name that;

This House takes note of the Report of the 38th Plenary Assembly of the SADC-Parliamentary Forum, held at Sea Side Hotel and SPA in Swakopmund, Namibia, from the 17th to the 25th November, 2015.

HON. DR. MUKANDURI: I second.

HON. TOFFA: 1.0 Introduction
1.1 The 38th Plenary Assembly of the SADC Parliamentary Forum (SADC PF) was held at the Sea Side Hotel and Spa in Swakopmund, Namibia from 17 to 25 November 2015. The Plenary Session drew participation from Presiding Officers, Members of Parliament and Officers from 12 SADC Member states including Angola, Botswana, Democratic Republic of Congo, Lesotho, Mauritius, Mozambique, Malawi, Namibia, South Africa, Swaziland, Zambia and Zimbabwe. Hon. Advocate Jacob Francis Mudenda, Speaker of the National Assembly, led a Parliamentary Delegation comprising the following Members and Officers of Parliament to the Plenary Assembly:

- Hon. Monica Mutsvangwa, Member of Parliament and Deputy Minister of Macro Economic Planning and Investment Promotion;
- Hon. Dr. Samson Mukanduri, Member of Parliament;
- Hon. Tambudzani Mohadi, Member of Parliament;
- Hon. Innocent Gonese, Member of Parliament;
Hon. Jasmine Toffa, Member of Parliament;

Mr. Kennedy M.Chokuda, Clerk of Parliament;

Mr. Ndamuka Marimo, Director in the Clerk’s Office;

Mr. Frank Nyamahowa, Director in the Speaker's Office;

Ms. R. Chisango, Principal External Relations Officer and Secretary to the Delegation; and

Mr. Robert Sibanda, Security – Aide to the Speaker.

2.0 Theme of the 38th Plenary Session of the SADC Parliamentary Forum

2.1 The 38th Plenary Assembly of the SADC PF was held under the general theme “From Millennium Development Goals (MDGs) to Sustainable Development Goals (SDGs): Towards a Greater Parliamentary Role in the Development Agenda”.

3.0 MEETING OF THE EXECUTIVE COMMITTEE
3.1 The Executive Committee met on 18 November 2015 to consider various issues and resolved as follows:

3.2 **The SADC PF flag**

An official handover ceremony of the SADC PF Flags to Member Parliaments represented by Presiding Officers be held during the 38th Plenary Assembly Session. For those Member Parliaments whose Presiding Officers were absent, the Secretary General would find cost-effective ways of delivering the flags. However, the handover ceremony did not take place as the flags were not delivered during the Plenary.

3.3 **The Transformation of the SADC PF into a Regional Parliament**

In view of the rejection by the Council of Ministers of the request by the SADC Parliamentary Forum for the transformation of the Forum into a SADC Parliament, the matter deferred for further discussion at the Speakers’ Conference to be held in Mauritius from 16 to 17 December 2015 with a view to adopting a resolution on the matter.
3.4 **Model Law on Eradicating Child Marriage and Protecting Children Already in Marriage**

That the Draft Model Law on Eradicating Child Marriage and Protecting Those Already in Marriage be tabled before the 38th Plenary Assembly for noting.

3.5 **Meetings of Standing Committees outside the Plenary Assembly Session**

To task the Forum Secretariat to engage development partners to raise the requisite funds to cover the costs of holding Standing Committee meetings twice a year outside Plenary Assembly Sessions. In the event that these fundraising efforts were unsuccessful, then all Standing Committees would meet during the Plenary Assembly sessions and National Parliaments would cover the cost of their Members’ participation. This will entail extending the Plenary Assembly Sessions by two or three extra days to accommodate Standing Committees.

3.6 **Alignment of National Legislations and Policies on Mineral Resources**
To endorse the recommendation to engage a team of legal experts in mining legislation from the SADC region to develop a model law on resource exploration, exploitation, utilisation, governance and management for use by SADC countries.

3.7 **SADC-PF Parliamentary Studies Institute**

To endorse, in principle, the establishment of the SADC-PF Parliamentary Studies Institute (PSI) and welcomed the offer by Zimbabwe to host the Institute in Zimbabwe in the event that Namibia is unable to do so.

3.8 **Payment of Secretariat and Logistics Costs for Election Observation**

That it would be prudent for all Member Parliaments to make a once-off annual payment of **USD 16,342.93** for secretariat and logistical costs for election observation missions. The meeting further endorsed the inclusion of this cost in the budget for the 2016/2017 financial year. The Executive Committee further granted its approval for the Secretariat
to raise funds to meet the costs of election observation missions by training MPs and Parliamentary staff on the same at a cost.

3.9 **Top up for sponsored activities and upgrading of air tickets for nominated MPs**

To appeal to MPs to consider travelling in economy class where their National Parliaments cannot upgrade their tickets or provide additional allowances.

3.10 **Increasing SADC PF MPs per Country from 6 to 7**

Agreed with the proposal by the Secretary General to increase the number of MPs per country to a maximum of seven (7), subject to approval by the Plenary Assembly.

3.11 **Update on the Role of Parliamentarians in Climate Change Adaptation and Mitigation in the SADC Region**

The Executive Committee took note of a Regional Conference on Climate Change, Adaptation and Mitigation for SADC MPs that was organised by the SADC PF Secretariat with support from the United Nations Development Programme (UNDP-Regional Service Centre for
Africa in Addis Ababa, Ethiopia). The conference which was held in Victoria Falls, Zimbabwe, from 23 to 24 September 2015 also reiterated the need to mobilise domestic resources to mitigate the effects of Climate Change.

4.0 MEETING OF THE REGIONAL WOMEN PARLIAMENTARY CAUCUS

The Regional Women Parliamentary Caucus (RWPC) convened a meeting ahead of the 38th Plenary Assembly of the SADC Parliamentary Forum on Friday, 20 November 2015. The meeting was attended by Chairpersons of National Women Parliamentary Caucuses (NWPC), Women Members of Parliament and staff from Angola, Botswana, the Democratic Republic of Congo, Lesotho, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe. Dr. Esau Chiviya, Secretary General of the SADC PF gave the welcome remarks while Hon. Dr. Becky, R.K. Ndojoze-Ojo, Namibian Member of Parliament and Deputy Minister of Higher Education, Training and Innovation was the Guest Speaker.
4.1 In his opening remarks, Dr Chiviya gave a brief background of the establishment of the RWPC and outlined the core business of the RWPC. He noted the successes realised by the RWPC, in particular, in lobbying various SADC member States to sign the SADC Protocol on Gender and Development and lobbying for the equitable representation of women in political, administrative and decision making positions.

4.2 In her keynote address, Hon. Dr. Becky Ndjoze-Ojo, gave an inspiring rendition of the academic, social and political experiences that had shaped her into the woman she is. Dr. Becky urged women Parliamentarians to put in place effective strategies to ensure an increase in women in politics and decision making positions, including, but not limited to involvement of Speakers of Parliament, in particular, when embarking on all activities aimed towards uplifting women including mentorship and capacity building programmes.

4.3 The meeting took note of the status quo of gender inequality in the Democratic Republic of Congo (DRC) with respect to women
representation in politics and decision making positions particularly as the country approaches its general election scheduled for November 2016.

The Meeting adopted the following resolutions for adoption by the Plenary:

1. To undertake a lobbying and advocacy mission by all National Women’s Parliamentary Caucus Chairpersons and women speakers to the DRC, targeting all DRC political parties registered for the up-coming general elections.

2. Each Election Observation Mission should reflect gender balance. This should be done by ensuring that selection of election observers is done in consultation with the Chairperson of the National Women’s Parliamentary Caucus. Women Members participating in such missions would, in turn, report to the RWPC through their NWPC.

3. With regards to SADC PF’s Project on “Sexual Reproductive Health and Rights (SRHR), HIV and AIDS and Governance
funded by the Swedish Government in partnership with the RWPC, the meeting resolved that the RWPC, the NWPC and SADC PF should agree on proper terms of reference with the intention of promoting ownership of the project by all stakeholders as well as transference of skills.

4. National Parliaments should plan and budget for exchange visits between National Women Parliamentary Caucuses to promote experience sharing and the adoption of best practices in the gender agenda.

5.0 THE OFFICIAL OPENING CEREMONY

The Official Opening Ceremony of the 38th Plenary Assembly of the SADC Parliamentary Forum was held on the 21st of November 2015 at the Swakopmund Plaza Hotel, in the presence of Hon. Cleophas Mutjavikua, Governor of the Erongo Region, who gave the Opening Address and Hon. Dr. Itah Kandjii-Murangi, Minister of Higher Education, Training and Innovation who gave a Statement during the Ceremony. The SADC PF Statement was presented by Hon. Joseph
Njobvuyalema, Vice President of the SADC PF while Hon. Francisca Domingos Tomas also made a statement on the need to enhance SADC PF’s mandate.

5.1 In his remarks to the Plenary, Dr. Esau Chiviya, Secretary General of the SADC PF, gave a historical background of the SADC PF and introduced the theme of the Plenary which he described as timely given that the SDGs were unanimously adopted by the United Nations General Assembly on 25 September 2015. He emphasized the need not only to popularise the SDGs but also to work towards their implementation.

5.2 Hon. Mutjavikua, in his keynote address applauded the theme of the Plenary and reiterated the assertion by the Secretary General that the consultative process prior to the adoption of the SDGs was inclusive as opposed to the MDGs. In closing, Hon. Mutjavikua underscored Namibia’s commitment towards the promotion of regional integration as evidenced by the country’s hosting of the SADC-PF.
5.3 In his remarks, Hon. Njobvuyalema the Vice President of SADC – PF lamented the failure by the SADC PF to realize its ultimate goal of transforming into a SADC Parliament eighteen (18) years after its establishment. He noted that the failure to transform had negatively affected regional integration as there is need to have a people-centered process involving legislators in their representative role.

5.4 Hon. Francisca Domingos Tomas, the RWPC Chairperson underscored the role played by women in the liberation struggle. She recognised the positive steps some countries had taken towards achieving gender parity, specifically Namibia which had adopted the Zebra System and Zimbabwe which had enshrined the quota system in its Constitution. She called on all SADC Member States to follow the example of Zimbabwe and lobby for legislation of gender quotas in their respective Constitutions by 2020.

5.5 In her address to the delegates, Hon. Dr Kandji-Murangí, the Minister of Higher Education, Training and Innovation noted the importance of consulting on issues of mutual interest as the region works
towards regional integration. She called on the SADC PF to facilitate and accelerate, through national Parliaments and local institutions, the implementation of ratified SADC Protocols by Member States.

5.6 In his welcome address, Hon. Prof. Katjavivi, the Speaker of the National Assembly of Namibia acknowledged the need for Member Parliaments to cooperate on issues of mutual interest to develop the region as well as to achieve regional integration. He noted the need for unity of purpose as the region moves to implement the SDGs.

6.0 **SYMPOSIUM ON THE THEME “FROM MDGS TO SDGS: TOWARDS A GREATER PARLIAMENTARY ROLE IN THE DEVELOPMENT AGENDA”**

A Symposium on the Plenary Theme was organized to sensitise the Members on how they can support the Sustainable Development Goals. Mr. Neil Boyer, Senior Advisor, UNRC/UNDP Namibia, Mr. Nandiuasora Mazeingo, National Development Advisor, National Planning Commission of Namibia and Hon. John Corrie, Member of the AWEPA Governing Council made presentations on the theme.
6.1 Mr. Boyer’s presentation assessed progress in Africa towards the MDGs. He noted that while some African countries had done well in attaining the MDGs in the areas of education, promotion of gender equality and empowerment of women, other countries were facing challenges due to poverty and maternal health among other issues.

6.2 In his presentation, Mr. Mazeingo outlined the African Common Position (the CAP) articulated during the consultation process in the formulation of the SDGs. Mr. Maziengo presented an overview of the seventeen (17) SDGs. Of note is that the SDGs are anchored on the 5 “P’s Agenda, that is People, Prosperity, Planet, Peace and Partnership.

6.3 Hon. Corrie articulated AWEPAs Mission which is to strengthen Parliamentary dialogue between Africa and Europe. Accordingly, AWEPA had been actively involved in capacity building programmes for Parliamentarians as well as engaging Parliaments towards achieving the MDGs.
6.4 In the ensuing deliberations, Hon. Members called for all stakeholders, particularly Parliamentarians, to work towards achieving the SDGs. The delegates agreed that Parliamentarians had a pivotal role to play in the attainment of the SDGs by:

- overseeing the Executive’s implementation of the SDGs;
- raising awareness among their constituents of the benefits of the SDGs;
- leading public opinion and debate on the SDGs; and
- ensuring that sufficient resources are allocated towards the achievement of the SDGs in their respective countries’ budgets.

Delegates also raised concern over the lack of representation of Africa on the United Nations Security Council. Accordingly, the developmental hopes and aspirations of Africa were not being articulated in the Security Council. In essence, this entailed that the developmental agenda of the majority of the world’s population which resided in Africa was being determined by a minority. The delegates
further noted with concern the absence of a goal that specifically targeted youths.

7.0 PLENARY ASSEMBLY

7.1 The Plenary Assembly of the SADC Parliamentary Forum met on 22, 23 and 24 November 2015. The Plenary considered, took note of and adopted motions as follows:

7.2 Motion for the Adoption of the Report of the Joint Session of SADC PF Standing Committees and the RWPC and Consideration of the Draft Model Law on Eradicating Child Marriage and Protecting Those Already in Marriage

The motion was moved by Hon. Roubina Jadoo-Jaunbocus of Mauritius and seconded by Hon. Innocent Gonese of Zimbabwe.

1. The Model Law is expected to provide a framework for adoption of best practices in legislating on child marriages and those already in marriage. The Plenary took note of the report which will be forwarded to legal experts for their input before it
is presented at the 39th Plenary Assembly for adoption.

7.3 Motion on Criminalisation of HIV Transmission, Exposure and Non-Disclosure in SADC Member States

The motion was moved by Hon. Duma Boko of Botswana and seconded by Hon. Dr. Emamam Immam of South Africa. Members expressed concern that specific laws on HIV transmission, exposure and non-disclosure may not only be harmful to successful HIV prevention and care but may infringe on human rights as well. The motion therefore:-

1. Reaffirmed the obligations on SADC Member States to respect, protect, fulfill and promote human rights in all endeavours undertaken for the prevention and treatment of HIV;

2. Reiterated the critical role of Parliamentarians in enacting laws that support evidence-based HIV prevention and treatment interventions that conform with regional and international human rights frameworks;
3. Called on Member States to consider rescinding and reviewing punitive laws specific to the prosecution of HIV transmission, exposure and non-disclosure; and

The motion was unanimously adopted.

7.4 Motion on Legislation for Gender Quotas As A Strategy to Accelerate Gender Equality in Line with the SADC Protocol on Gender Development

The motion was moved by Hon. Monica Mutsvangwa of Zimbabwe and seconded by Hon. Siphosezwe Masango of South Africa. The mover raised concern over the continued marginalisation of women in the region despite 12 SADC States having signed the SADC Protocol on Gender and Development. In the ensuing deliberations, Zimbabwe was commended for the good practice of enshrining the quota system into the country’s Constitution which had resulted in the increase of women in Parliament and other decision making bodies such as Independent Constitutional Commissions. The motion called for:-

1. SADC Member States to adopt legislation for gender quotas
as a strategy to accelerate gender equality in line with the SADC Protocol on Gender and Development;

2. Endorsed the United Nation’s 59th Commission on the Status of Women Resolution extending the deadline for women empowerment and gender equity to 2030;

3. Affirmed the inclusion and retaining of Article 12 (1) and Article 13 in the revised SADC Protocol on Gender and Development which provides for 50/50 representation between men and women in political and decision making positions in the public and private sectors;

4. Called for National Parliaments to prioritise the ratification, domestication and monitoring of the implementation of relevant regional, continental and international instruments in order to ensure the development of legislative reforms, policies and programmes that promote and protect women’s rights in the home, community and workplace.

The motion was duly adopted by the Plenary.
7.5 Motion on the Adoption of the Report of the Standing Committee on Gender Equality, Women Advancement and Youth Development

The motion was moved by Hon. Monica Mutsvangwa of Zimbabwe and seconded by Hon. Sikhumbuzo Ndlovu of Swaziland. The Committee had held a two day dialogue in Johannesburg, South Africa on 31 August and 1 September 2015 whose objective was to make inputs to the SADC Protocol on Gender and Development. The Committee reaffirmed its commitment to the 50/50 gender parity goal and made the following proposals for inclusion in the revised SADC Protocol on Gender and Development:

The Committee presented their resolutions as follows:

1. Member states should budget for all activities for the implementation of the SADC Protocol on Gender and Development.

2. National Parliaments should establish a system which enables SADC PF Parliamentarians to report back on progress made by the
SADC PF and resolutions that need each National Parliament’s follow up action.

7.6 **Motion for the Adoption of the Report of the Regional Women’s Parliamentary Caucus on the Roundtable on Early and Unintended Pregnancy.**

The motion was moved by Hon. Francisca Domingos Tomas of Mozambique and seconded by Hon. Thulisile Dladla of Swaziland. The purpose of the roundtable was to review existing evidence and information on adolescent pregnancies in the SADC countries in order to come up with recommendations aimed at ending adolescent pregnancies while protecting the girls’ human and reproductive rights. The report recommended that the 38th Plenary Session urges SADC governments to take expeditious actions aimed at ending the scourge of early and unintended pregnancy in the region, particularly:

1. To ensure that specific legal provisions are made under domestic laws regarding the setting of a minimum age for sexual consent, marriage and the possibility of medical
treatment without parental consent;

2. To align education policies and practices with the ESA Ministerial Commitment to effectively address early and unintended pregnancy in the SADC region;

3. To undertake special measures to ensure that the sexual education provided within the education system is comprehensive;

4. To take measures aimed at dealing effectively with serious stigma and discrimination towards pregnant or child bearing girls in schools and communities;

5. To ensure inclusion of Parliamentary representation in National delegations to major international Summits and meetings on SRHR, HIV and AIDS so as to avert the current information gap which limits Parliamentarians’ capacity to monitor and hold the Executive to account with regards to various international commitments.

6. SADC PF Member Parliaments to debate and pass resolutions aimed at urging governments to harmonise laws
and policies dealing with the above issues and implement such laws without undue delay.

7. Called on Members to take a proactive leadership role in the implementation of SDGs.

The report was adopted by the Plenary in its entirety.

7.7 Motion for the Adoption of the Interim Statement by the SADC PF Election Observation Mission to the United Republic of Tanzania General Elections of 25 October 2015

The motion was moved by Hon. Agnes Limbo of Namibia and seconded by Hon. Samson Mukanduri of Zimbabwe. The Election Observation Mission was comprised of Members and Staff of Parliament from Angola, Namibia, South Africa, and Zimbabwe. The Mission was satisfied that the elections were held in a peaceful and conducive manner. However, during the debate Members raised their concern over the lack of gender balance and urged National Parliaments to ensure that there is gender balance when nominating Members for such missions in the future. The report was adopted.
7.8 Motion for Adoption of the Report of the Standing Committee on Food, Agriculture and Natural Resources

The motion was moved by Hon. Stevens Mokgalapa of South Africa and seconded by Hon. HRH Senator Phumelele Dlamini of Swaziland. The report made reference to the outcomes of the Regional Conference on Mobilising Domestic Resources for Climate Change Conference held in Victoria Falls, Zimbabwe whose overall objective was to enhance the capacity of the legislative systems of the SADC region to facilitate the mobilisation of domestic resources towards climate change. The Committee proposed the following resolutions for adoption:

1. The SADC PF should advocate for the expeditious finalisation, adoption and domestication of the SADC Strategy and Action Plan on Climate Change.

2. That Member States must be urged to consider the feasibility of establishing a Regional Implementing entity for accreditation from the UNFCCC to enable direct access to international funding under the
Financial Mechanism.

3. There is need to establish a Regional emissions trading platform, linked with other global trading platforms.

4. Parliaments should ensure that appropriate legal and institutional frameworks are in place to establish enabling environments to stimulate private sector investments and public sector spending for climate change responses.

5. Parliaments should enhance working relationships with civil society, the media and vulnerable groups of society regarding climate change responses.

6. Parliaments should be encouraged to monitor the domestication of, and compliance with key international and regional instruments in particular those dealing with climate change and emission.

The motion was adopted.

7.9 Motion for the Adoption of the Report on the High Level Seminar on Peace, Security and Sustainable Development: The Role
of African and European Parliaments in Tackling the Root Causes and Consequences of Violent Extremism and Terrorism:

The Seminar which was held in Brussels, Belgium, identified causes of violent extremism and terrorism and explored their impact on socio-economic development. The Report acknowledged that violent extremism and terrorism are not widespread in the SADC region, rather challenges such as limited employment and educational opportunities for the youth could undermine peace, security and development. Parliaments, thus have a role to play in tackling the root causes and consequences of terrorism and radical extremism through their legislative, oversight and representation mandates by ensuring that systems and structures of Government are inclusive and responsive. In this regard, Parliaments should play an active role in ensuring that governments are inclusive and responsive to the needs of the people in order to safeguard peace, security and development.

The report was adopted by the Plenary.
7.10 Motion for the Adoption of the Report of the Regional Women Parliamentary Caucus:

The Report of the Women Parliamentary Caucus as noted on 5.0 of this report was presented and adopted by the Plenary.

7.11 Motion for the Adoption of the Report of the Executive Committee:

The report was tabled by Hon. Garry Nkombo of Zambia who is also the Treasurer of SADC PF. The report is as noted on 4.0 of this report. The Treasurer’s report raised concerns on the issue of reverting to the United States Dollar in view of the depreciation of the South African Rand. After extensive debate on the issue, the Plenary resolved to continue using the South African rand for all its transactions. Other resolutions contained in the Executive Committee Report as outlined on 4.0 were adopted by the Plenary.

8.0 Recommendations
8.1 There is need for the Parliament to take follow up action on resolutions passed by the Plenary and report back to the SADC PF on Zimbabwe’s position or status as the case may be. In this regard, the tabulated resolutions require Parliaments attention:

<table>
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<tr>
<th>RESOLUTION</th>
<th>ACTION</th>
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<tr>
<td>2. Increasing the number of MPs per country to a maximum of seven</td>
<td>The political and administrative leadership of Parliament to engage Treasury over the issue in view of the budgetary constraints the country is facing.</td>
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<tr>
<td>3. Ensuring that there is</td>
<td>The political and administrative</td>
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<td>gender balance in SADC PF Election Observer Missions</td>
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<td>4.</td>
<td>Hosting of a SADC Parliamentary Studies Institute</td>
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<td>5.</td>
<td>Implementation of SDGs</td>
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6. Rescinding and Reviewing punitive laws specific to the prosecution of HIV transmission, exposure and non-disclosure.

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<th>the Executive in their respective Committees</th>
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<td>SADC PF Members may wish to bring the debate before Parliament if there is consensus that the existing laws should be reviewed.</td>
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9.2 Furthermore, it is recommended that resolutions on specific thematic issues contained on item 9 of the report be referred to the relevant Portfolio and Thematic Committees for action.

10.0 Conclusion
10.1 The delegation to the 38th Plenary Assembly of the SADC PF wishes to express its gratitude for the opportunity to represent our Parliament at the 38th Plenary Assembly. I thank you.

THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT (HON. CHINAMASA): I move that the debate do now adjourn.

Motion put and agreed to.

Debate to resume: Tuesday 12th April, 2016.

MOTION

BUSINESS OF THE HOUSE

THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT (HON. CHINAMASA): Mr. Speaker Sir, I move that the august House reverts to Order of the Day, Number 3, Second Reading of the Special Economic Zones Bill.

Motion put and agreed to.
THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT (HON. CHINAMASA): Thank you Mr. Speaker, it is my singular honour to move that the Special Economic Zones Bill [H. B. 15, 2015] be read a second time.

Mr. Speaker Sir, the Special Economic Zones (SEZs) are an important pillar of Zimbabwe’s development strategy as we enunciated in the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM ASSET). The successful development of SEZs will contribute to Zimbabwe’s development goals whilst facilitating the utilisation of resources in the most efficient and cost effective way.
The Special Economic Zones Bill seeks to create an enabling environment for the development of all aspects of Special Economic Zones including:

(i) Development of infrastructural facilities;

(ii) Creation of incentives for economic and business activities in Special Economic Zones;

(iii) Removal of barriers that negatively affect operations in areas designated as Special Economic Zones;

(iv) The regulation and administration of activities within the Special Economic Zones, and

(v) Transparency and compliance with regulatory requirements.

**Key Provisions of the Bill**

Mr. Speaker Sir, I now outline the key aspects of the Special Economic Zones Bill as follows:-

**The Institutional framework**
• Clause 3 creates an institutional framework in terms of which the Zimbabwe Special Economic Zones Authority is established, whose operations shall be controlled and managed by a board consisting of men and women with diverse skills and experience from both the private and public sectors in line with Clause 5.

• Clauses 6 to 17 deal with various procedural matters relating to Board members, including vacation of office by a member, meetings and procedures of meetings and disclosure of interest of members of the board.

• Clause 18 sets out the functions of the Authority which shall include the establishment of SEZs in which export-oriented industrial activities will take place whether by way of manufacturing, processing or assembling of goods or providing services for the purpose of selling domestically or exporting such goods and services.

• To attract foreign direct investment into SEZs;

• To grant investment licences for investment in Special Economic
Zones;

- The Authority will also have function to grant permits to developers of Special Economic Zones areas for infrastructure development including road works, information and communication technology works, water and electricity works;

- The Authority will also create or be enabled to create a single institution through which applications for the approval of investment in Special Economic Zones shall be made and through all necessary approvals, licences and permits may be granted or issued in respect of approved investments;

- The Authority will also have the function to monitor and evaluate the implementation of approved investments in Special Economic Zones.

*Establishment of Special Economic Zones*
Mr. Speaker Sir, with respect to establishment of Special Economic Zones, in terms of Clause 20, the Authority may declare any area or premises to be a Special Economic Zone.

*Application for investment licences or developers permits*

With respect to applications for investment licences or developers permits, any person who wishes to obtain approval to invest in a SEZ or for his or her business to be approved as an activity in a SEZ, shall submit an application to the Authority in accordance with Clause 23.

Equally, any person who wishes to obtain approval to develop an area as a SEZ in which licenced investors will establish and conduct their operations, shall submit an application to the Authority in accordance with Clause 24.

*Consideration of applications for investment licences*

Mr. Speaker Sir, with respect to consideration of applications for investment licences, Clause 25 provides that in considering an application, the Authority shall, amongst other things, have regard to:
1. The extent to which the proposed investment will lead to creation of employment opportunities and the development of human resources;

2. The degree of export-orientation or import substitution of the project;

3. The impact of the proposed investment on the environment;

4. The extent to which the proposed investment will result in transfer of technology as well as managerial and other critical skills;

5. The extent to which the proposed investment will establish linkages with the domestic economy, value addition and beneficiation of local raw material and industrialisation of the domestic economy.

Mr. Speaker Sir, the Authority shall, within five working days be required to approve or refuse to approve any application for an investment licence in line with Clause 26.
The Authority shall also be required to keep a register of all investment licences according to Clause 29.

**Power to visit premises and inspect documents**

Mr. Speaker Sir, with respect to the power of the Authority to visit and inspect documents, to ensure compliance, the Authority may, in terms of Clause 32, visit and inspect any premises having any connection with the investment or proposed investment referred to in the licence.

**Funds of the Authority**

The Authority should minimise dependency on budgetary support. Therefore, the Bill in Clause 46 provides for the Authority to levy some fees that will help finance its operations.

**Incentives Package**

Mr. Speaker Sir, with respect to package of incentives, the Bill provides for general fiscal and non-fiscal incentives to licenced investors operating in an SEZ to be prescribed in accordance with Clause 58.
Regulations

The Bill makes provision for the Minister after consultation with the Authority, to make regulations under the Act. These regulations will include matters relating to the following, among others:

- Fees payable for any application for a licence or permit or other service provided by the Authority, or charges levied by the Unit;
- Special incentive packages.

Mr. Speaker Sir, I now move that the Special Economic Zones Bill be now read a second time.

HON. CROSS: Mr. Speaker Sir, this Bill will be the subject over public hearings next week throughout the country and we are proposing from the Committee, that the debate be held over until the 3rd of May, 2016.

THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT (HON. CHINAMASA): I move that the debate do
now adjourn and I do so reluctantly. This Bill has been on the *Order Paper* for a long time.

Motion put and agreed to.

Debate to resume: 3rd May, 2016.

**MOTION**

**BUSINESS OF THE HOUSE**

**HON. SAMUKANGE:** Mr. Speaker, Order Number 5, had been stood over. I move that it be adjourned to the 5th May, 2016.

**HON. CROSS:** I second.

Motion put and agreed to

**FIRST READING**

**PUBLIC FINANCE MANAGEMENT AMENDMENT BILL [HB 14, 2015]**

**THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT (HON. CHINAMASA)** with leave of the House, presented the Public Finance Management Amendment Bill [HB 14, 2015].
Bill read the first time.

Bill referred to the Legal Parliamentary Committee.

**MOTION**

**BUSINESS OF THE HOUSE**

**HON. NDUNA:** I move that Orders of the Day, Numbers 1 to 7 be stood over until Order of the Day, Number 8 has been disposed of.

**HON CHIRISA:** I second.

Motion put and agreed to.

**MOTION**

**SECOND REPORT OF THE PORTFOLIO COMMITTEE ON TRANSPORT AND INFRASTRUCTURE DEVELOPMENT ON THE OPERATIONS OF THE NATIONAL RAILWAYS OF ZIMBABWE**

**HON. NDUNA:** Mr. Speaker, I move the motion standing in my name; That this House takes note of the Second Report of the Portfolio Committee on Transport and Infrastructure Development on the Operations of the National Railways of Zimbabwe.

**HON. MLILO:** I second

**HON. NDUNA:** Introduction
1.1 The Portfolio Committee on Transport and Infrastructure Development conducted an inquiry into the operations of the National Railways of Zimbabwe (NRZ) to get an appreciation of the operational challenges faced by the organization. The Committee also sought to be appraised of the overall functions of NRZ and efforts in place to resuscitate the railway system. NRZ is a corporate body established in terms of the Railways Act [Chapter 13:09]. It is a company wholly owned by the Government and is mandated to provide, operate and maintain an efficient system of public transportation of goods and passengers by rail.

1.2 The mission of NRZ is to provide rail and road transport services in an efficient, reliable, cost-effective manner and safe bulk transportation of goods and passengers in the country. NRZ’s vision is to be the dominant transporter of bulk goods and passengers in Zimbabwe by 2016. The question to ask is, will NRZ achieve its vision by 2016 considering the operational and financial challenges being faced by the organisation. Dilapidation of rail infrastructure has seen the
transfer of bulk transportation to road transporters and this has a negative impact on the road infrastructure which is not meant for heavy loads.

2. **Methodology**

2.1 The Committee received oral evidence from NRZ’s Management, the Minister of Transport and Infrastructure Development and Zimbabwe Railways Artisans’ Union. The Committee also conducted familiarisation tours of NRZ’s headquarters where it met with the Board and management of NRZ. The purpose of the visit was to enable members to have an appreciation of the operations of the parastatal.

30 **Committee’s Findings**

3.1. The Committee noted that NRZ has had an Acting General Manager since the death of Rtd Air Commodore Karakadzai. The General Manager is supported by five directors who are Director Corporate Services, who doubles as the company secretary and also looks after all the legal issues for the company, there is the Director of
Finance, Director Operations, Director Marketing and Director Technical Services. Below those directors, there are functional heads. On the management architecture, the Zimbabwe Railways Artisans’ Union felt that NRZ had too many managers. They argued that in 1999 when NRZ was transporting 12.3 million tonnes of freight, there were about ten thousand employees headed by the General Manager and four assistants.

NRZ workers cited that now that the business volumes have decreased in terms of tonnage and NRZ has less than six thousand employees, the number of senior management should have been reduced to reflect this reality. The Minister of Transport and Infrastructure Development informed the Committee that currently, NRZ has a staff complement of 6500 which was said to be too high for the current business volumes. The Zimbabwe Railways Trade Union however felt that NRZ was not overstaffed and argued that maybe what is needed was to transfer some members of staff between and amongst departments.
3.2 The Acting General Manager explained that NRZ’s bulk business comes from cargo and freight. Specifically, 93% of NRZ’s revenue comes from freight. Passenger service contributes 4% of the revenues. NRZ has a small real estate portfolio that contributes 3% of the NRZ revenue. In terms of cargo and freight, the bulk of revenue comes from energy and mining commodities like coal, chrome ore, granite, phosphate rock, fuel, coal among others.

Transportation of such commodities contributes 50% of NRZ revenue. Agriculture contributes 19% in the transportation of maize, wheat and other crops. Industrial commodities contribute 20%. These are fertilizers, cement, slag, steel, ferrochrome and sugar. Transit traffic from outside the country contributes 11% of NRZ’s revenue. In terms of investments, NRZ has a company called Road Motor Services (RMS) (Pvt) limited but the RMS is having financial problems. RMS used to be a department in the railways before it was incorporated into a private company which is 100% owned by NRZ.
3.3 In terms of investment, NRZ has a merged railway property company. This company was set up between NRZ and Zambia railways to manage the joint assets that used to be under Rhodesia railways when it was Northern and Southern Rhodesia. The assets like the wagons and locomotives were shared but two assets remain that are jointly managed, that is, the Victoria Falls Bridge and the Victoria Falls Hotel.

3.4 The Committee was further informed that over and above that, NRZ jointly owns a company called Pan African Mining Development. The railways inherited some mineral rights in South Africa. The idea of setting up this railway was for its development to be supported by exploitation of those rights during colonial era. NRZ inherited the mineral rights and together with Zambia railways and now South African Government is also involved making it a tripartite ownership. The Committee was informed that NRZ has not yet exploited the mineral rights and were looking at ways of raising finance to exploit the rights.
The Acting General Manager highlighted the challenges faced by the parastatal. The challenges were attributed to deterioration in the state of infrastructure due to lack of proper maintenance. It was argued that NRZ is responsible for the maintenance of its infrastructure unlike the roads that motorists use but are repaired by the Ministry through funds collected by ZINARA.

3.6 The Committee was informed that the track on which locomotives and wagons move is characterised by speed restrictions. These speed restrictions accumulated over a number of years and stand at 60 covering 292 km. The speed restrictions should be repaired within a period of two weeks or less but because of financial constraints over the years, NRZ has not been able to repair the infrastructure. NRZ feels that maintenance of rail infrastructure should be the responsibility of the Government just like in the road network.

3.7 The Committee learnt that NRZ used to have a centralised trains control system. It was an electronic system which displays the status of the system throughout the country on a board and see which
trains were moving. The system could detect where the trains were and the movement of the trains were controlled. It was an efficient system and also very safe in that, a lot of the controls were computer based and chances of human error were limited. Over the years, the system has been vandalised and a lot of the equipment that was in the field that was made of copper was stolen. The transmission lines were copper based and again they were vandalised. The Committee was informed that NRZ had started to move to microwave means of communication but due to lack of funding, again these programmes have not been implemented. This has compromised the efficiency with which NRZ can move the trains and also the safety standards. Similarly, the electrified section between Gweru and Harare was completely vandalized between 2006 to 2009. NRZ had to decommission the electrified section because of vandalism. NRZ is of the view that in the medium to long term, there is need to restore that system because the rest of the world is moving towards electrified movement of trains due to a number of environmental issues. A lot of the equipment like the sub-stations that supply power is still intact. What was taken is the copper wire but NRZ
still feels that even if the copper wire is to be restored, it would still be vandalised. NRZ said they have started looking at options of using alternative technology that could be less prone to vandalism. For example, using steel coated with aluminum but it is a project that would require funding outside what NRZ can generate.

**3.8** It was submitted that NRZ lost its capacity and business from year 2000. The number of locomotives, wagons and coaches declined due to lack of capitalization and credit lines. Locomotives decline from 101 to 80, wagons from 9019 to 5824. Locomotive’s age currently stand at 32 years to 50 years compared to a lifespan of 25 years and wagons range from 45 to 60 years against a lifespan of 40 years. In NRZ’s view, part of the challenge was because NRZ is responsible for maintenance of rail infrastructure. This makes it difficult for NRZ to generate surplus revenue to cater for both infrastructure, locomotives and wagons. They argued that they did what they can but their own self-generated funds are not enough to meet all the requirements. The Committee was informed that what is needed is a complete overhaul to the passenger coaches in
order to restore them to a decent state. Whilst the numbers have come 
down, the conditions have also deteriorated. There was need for NRZ to 
have a phased replacement programme whereby, every five years NRZ 
buys new a fleet of equipment to gradually replace the old fleet. This has 
not been possible because of limited resources.

3.9 The Committee learnt that in 2000 NRZ was moving 9.5 
million tonnes per annum and by 2009 the tonnage had reduced to 2.6 
million tonnes per annum. NRZ Officials informed the Committee that 
they have been gradually increasing the volumes and in 2013, NRZ 
moved 3.6 million tonnes. NRZ had targeted to carry 6 million tonnes 
per year, but the market could only avail 4.3 million tonnes because of 
the challenges that the various sectors of the economy are also facing. 
To break even, NRZ targets to move over 400 000 tonnes per month. As 
of July 2014 the average tonnage was 297 000 tonnes and was below the 
targeted breakeven point. To sum it up business increased from 2.6 
million tonnes in 2009 to 3.8 million tonnes in 2014.
3.10 The reduction in tonnage from 2000 to 2009 was attributed to two factors. The first being decline in NRZ’s capacity to carry loads due to poor state of the wagons and locomotives. The other factor was the decline in the business that NRZ could move. NRZ as a bulk carrier depended on companies like Hwange Colliery, ZISCO Steel, Zimbabwe Alloys, and Bindura Nickel Mine among others. These were the companies that needed bulk transport to move goods but are now facing operational challenges. NRZ is now competing with haulage trucks in carrying what used to be carried by rail and NRZ finds itself failing to compete with haulage trucks because they are faster and they can deliver door to door. This is worsened by the condition of NRZ’s equipment which has outlived its lifespan and is very unreliable.

3.11 The Minister of Transport and Infrastructure Development, Hon Mpofu informed the Committee that NRZ accumulated a salary backlog of $68.5 million, its creditors $230.3 million and $10.5 million for debtors as of 18 May 2015. The Committee was informed that revenue generated by NRZ was not enough to pay salaries and meet
other operational obligations. NRZ Acting General Manager also said NRZ was unable to pay fully its statutory obligations to statutory bodies like ZIMRA, NSSA and ZIMDEF among others. NRZ has engaged these bodies and agreed on payment plans.

3.12 The Committee was informed that a lot of NRZ’s efforts have been supported by the Government Public Sector Investment Programme (PSIP). NRZ managed to repair damaged concrete slippers through PSIP. In 2010 there was 422 km of track that was damaged and this has been reduced to 292 km. NRZ also managed to install UHF/VHF on Victoria Falls-Bulawayo, Bulawayo Gweru and Dabuka-Chicualacuala corridors and microwave radio on Dabuka-Harare corridor, a wagon tracking system, standby generators on all communication backbone sites and procured a welding plant and wheel lathes. NRZ has installed a computerised system at various control points that tracks the movement of wagons. The system entailed putting local area network and wide area network for the entire system and this is an ongoing project of which most major cities have been done.
3.13 The Minister of Transport and Infrastructure Development, Hon Mpofu informed the Committee that NRZ had approached the Development Bank of South Africa (DBSA) to source $653 million of the $653 million; $388 million will be used for track infrastructure and $265 million for rolling stock. He emphasized the need to engage a technical partner who will use their balance sheet to support the borrowing. The technical partner will jointly carry out the rehabilitation with NRZ and participate in a profit sharing arrangement with the organization. The Committee learnt that prior to engaging DBSA, NRZ had consulted numerous Chinese companies but the major challenge faced with the Chinese projects was failure to access credit facilities.

3.14 NRZ management appealed for the implementation of the Railways Amendment Act. The Railways Amendment Act was said to have two key provisions that NRZ believed could assist in their operational challenges. The first is that the responsibility for the maintenance of railway infrastructure be passed to the Central Government. The second issue NRZ wish to be addressed was to do with
passenger trains. They indicated that passenger trains only contribute 3% to 4% of NRZ revenue. Currently it was submitted that passenger trains were running at a loss. The Committee learnt that every single train that NRZ ran, even during the best of the days when the trains were running on time and were full, they were still making a loss. It was pointed out that very few railways in the world make profit because of the nature of passenger trains. They said the Railway Amendment Act provided that for the loss that NRZ makes on the passenger trains, the Government would pay provided it is clear NRZ was operating properly and efficiently. Up to date they said Treasury has not been able to pay for the loss.

3.15 The Committee sought to know from NRZ whether they had approached Afro Chine Company in order to carry chrome from their plant site in Chegutu to Mozambique. The chrome is currently carried by road. NRZ said that they have engaged the company and negotiating are in progress. The Acting General Manager said the problem was that Afro Chine does not have a private siding. They are located after Selous
and the nearest NRZ siding is in Selous. NRZ had initially proposed that Afro Chine use Selous as a siding but it means double handling in that they would load at site then transport to NRZ wagons thereby inflating the cost.

3.16 NRZ was also asked to explain how they were benefitting from its mineral rights. The Committee was told that NRZ had not yet exploited that avenue. NRZ needs funds to explore and specify exactly what deposits are available. This is being tackled by the three Governments that are Zimbabwe, Zambia and South Africa. NRZ said they have indicated to government that they have no capacity to carry out the exercise and the issue is being handled at Government level. When the Minister of Transport and Infrastructure Development, Hon Mpofu was asked about the mineral rights and properties owned by NRZ outside the country, he said NRZ has massive properties outside this country, especially in the UK. He said NRZ’s properties run into millions of dollars but these are for pension funds, the Rhodesia Pension Fund. The Committee was informed by Minister Mpofu that he has
engaged the Minister of Finance and Economic Development, Hon Chinamasa about the need to benefit from the properties. The issue was referred to a Resource Mobilisation Committee and that Committee will be reporting on the progress.

3.17 The Minister of Transport and Infrastructure also informed the Committee that NRZ has mining claims in South Africa running into millions if not billions dollars under Pan African Minerals Development Company (PAMDC) but it is owned by Zimbabwe and Zambia. It was owned by Zimbabwe and Zambia through the Federation of Rhodesia and Nyasaland. South Africa was invited into this arrangement and is now part of the PAMDC. South Africa argued that the mineral rights were on its land and felt that it should not be left out. The mines involved have minerals ranging from diamonds, gold, manganese among others. NRZ stands guided by Government of Zimbabwe on how they should deal with the issue and unlock a lot of value.

3.18 The Committee observed that Beitbridge Bulawayo Railway Limited (BBR) last paid NRZ a dividend in 2006. Prior to 2006, they
were paying dividends in Z$. After 2006, they also started operating at a loss and are unable to pay a dividend. The Minister of Transport and Infrastructure Development represents NRZ on the Board of BBR. NRZ earns approximately a gross amount of $120 000 per month from the lease of the Victoria Falls Hotel and the bungee jumping activities that take place at the Victoria Falls Bridge. This money is used for maintenance of the bridge. After the costs NRZ gets about $60 000 per month from the hotel and the bridge.

3.19 Zimbabwe Railways Artisans’ Union stated that in the past NRZ used to flourish but these days there is more traffic on the road than on the railway. They appealed to Government to protect NRZ in terms of business as it used to do in the past so that coal is moved by NRZ only. They also alleged that a directive was given to the Chief Executive Officer of Hwange Colliery to give first preference to carry coal to haulage than to NRZ.

3.20 The Artisans also alleged some of the challenges faced by the parastatal were as a result of having an Acting General Manager for 2
years. They said since the death of Rtd Air Commodore Karakadzai, NRZ Board has failed to appoint a substantive General Manager. Workers felt that there is need for a substantive General Manager who can make decisions for the good of the company. They also alleged that the management has been reluctant in implementing some strategic measures put forward by workers.

3.21 The Artisans said in 2013 NRZ management cut workers’ salaries by 50% citing that it was meant to restore predictability in the payment of salaries. However, despite the slashing of salaries by management, workers’ salaries were still in arrears by 13 months.

3.22 The workers also complained that BBR is a competitor to the railways and what puzzles them is that the Acting General Manager, Engineer Mukwada sits on the BBR Board. The workers felt that this was bad ethics for corporate governance. They also alleged that a former employee of NRZ who was a director was recently hired by BBR to be their Director of Operations. They also intimated that there are some Public Private Partnership that were entered into by NRZ with Strauss Logistics and Sakunda which are not beneficial to the organisation. They
cited that agreements with organisations such as New Limpopo Projects Investments and BBR were not benefitting NRZ and workers urged government not to renew the agreements when the agreements expire. They argued that the contracts that have been awarded to New Limpopo Project Investments and BBR should have been awarded to NRZ so that NRZ benefits.

3.22 NRZ Trade Unions informed the committee that they advocated for the Auditor General to do an audit of NRZ but the report was never shared with them. They also alleged that tender procedures are never followed and also wondered why a company like NRZ needs a third party when procuring fuel. Workers felt that a lot of operations were not done according to procedure and requested that a forensic audit for NRZ be conducted.

3.24 The Committee had a meeting with NRZ Board of Directors on 3 July 2015. According to the Board Chairperson, the dialogue with the committee came at an opportune time when there were so many pertinent issues affecting the parastatal. The current Board completed one year in June 2015 and held meetings every week to try and come up
with a way forward concerning the problems plaguing the parastatal. It also emerged that NRZ was going through a tough time and that the last industrial action was justified as NRZ was unable to provide basic needs for its employees.

3.25 ZIMRA, pensions and PAYE funds had not been remitted for a while hence NRZ was borrowing some bridging funds from NSSA in the interim. There had been a large exodus of key personnel. Due to this sad state of affairs, it was pointed out that recapitalization of the NRZ could foster a new start. The Board Chairperson reiterated the need for a long term recapitalization scheme and the need to identify appropriate investors.

3.26 It was pointed out that NRZ wanted to decongest service rail lines by removing all scrap locomotives and ancillary equipment in order to realize a return. The Committee was informed that the value of the scrap metal could contribute to the efficiency of the NRZ operations. NRZ had hoped to realize ten million dollars from the deal
but now the value had fallen to three million dollars and the person who was awarded the tender is still failing to pay that much.

3.27 The Committee asked the Board of Directors to explain why retrenched NRZ workers were evicted from NRZ houses. The Committee was informed that 425 security personnel for NRZ are housed in containment areas, for ease of deployment. Over the years most of these people were fired, went on pension or retired and were supposed to move out of the NRZ houses but they did not. All these employees were paid their dues hence there was no need for them to keep on staying in the NRZ houses.

3.28 The Board Chairperson also informed the Committee that the long term solution on salary arrears lied squarely with NRZ, however, currently priority was given to fuel and current salaries and the board was striving to pay workers a certain percentage of arrears each month. The Committee was informed that there were continuous consultations between the Board and the unions and they came to an agreement that
when schools open, more cash is availed in terms of salaries for workers to pay school fees for their children.

4.0 Committee’s Observations

4.1 The Committee observed that NRZ has become a liability to the government and noted the need for the shareholder to recapitalise NRZ either from the fiscus, investors or accessing a loan.

4.2 The Committee observed that although the current state at NRZ is attributed to the economic hardships experienced throughout the country, there is need for a self-introspection by the management and all involved in the management of the parastatal to have a holistic approach to the problems that led to the current situation otherwise a lot of money might be injected and the same situation prevails.

4.3 The Committee noted that the absence of a substantive qualified and experienced General Manager might worsen the situation at NRZ. The Committee is of the view that when someone is in acting position he/she has some limitations when it comes to decision making.
4.4 The Committee noted that the parastatal is in dire need of rescue in terms of acquiring new equipment, payment of salary arrears and rehabilitation of infrastructure. Even if NRZ was to get the tonnage that it used to carry in 2000, the parastatal has no capacity to deliver at the moment.

4.5 The Committee noted the need for government to regulate the loads that should be carried by rail only so as to protect the road network and at the same time protecting NRZ from unnecessary competition from haulage trucks. This can only be possible after all the operational challenges faced by NRZ have been solved and the parastatal starts operating professionally and deliver on time to its clients.

4.6 If NRZ is paid its dues, the Committee feels that some of its financial problems can be solved.

5.0 Recommendations

The Committee therefore recommends the following:-

5.1 That a forensic audit be carried out at NRZ before the end of December 2015. This will assist the evaluation of viability of NRZ and
how it can be saved from the present state. The results of the study should be used to come up with NRZ’s strategic plan to resuscitate the parastatal.

5.2 It is also recommended that the government should urgently resuscitate RMS so that it augments the operations of NRZ.

5.3 Government should also consider the exploitation of mineral rights owned by NRZ outside the country as a matter of urgency.

5.4 The Public Private Partnerships that were entered into between NRZ and Strauss Logistics and Sakunda should be reviewed urgently so that they are beneficial to NRZ.

5.5 The Acting General Manager of NRZ should be removed from BBR Board to avoid conflict of interest.

5.6 It is further recommended that in the 2015 National Budget, Government must recapitalize NRZ to ensure that NRZ maintains the railway lines and retain the Central Control System between Gweru and Harare that was vandalised.
5.7 NRZ should also urgently identify a strategic partner to fund the rehabilitation of its infrastructure and the rolling stock to add to what Treasury is currently able to allocate to NRZ.

5.8 By the end of 2016, there is need to engage external port authorities by NRZ in order for it to link with ports like Dar es Salaam, Beira, Durban and Walvis Bay thereby creating business opportunities.

5.9 There is need for NRZ to comply with the SADC Protocol on Transport, Communications and Meteorology to ensure that all railway lines are of the same dimensions so that cross borderer movement is not hindered.

5.10 NRZ needs to improve security of the railway lines to protect them from vandalism.

5.11 There is need, before the end of 2015, for NRZ to revive the intercity transportation with a fixed time table for passengers.

5.12 Government should urgently gazette a Statutory Instrument that stipulates that all bulk transportation of coal, chrome ore and other bulk goods should be carried by rail only. Considering that government has lifted the ban on the export of chrome ore to the tune of 30 million
tonnes and the recent expansion at Hwange Colliery Mine, NRZ can generate a lot of revenue by carrying these loads. US$2.1 can be raised from chrome ore also.

5.13 Treasury should immediately use the offset principle to settle moneys owed to NRZ by other government departments or parastatals for example Grain Marketing Board. The offsets should be used to settle NRZ’s statutory obligations.

HON. NDUNA: I thank you.

THE MINISTER OF INFORMATION, MEDIA AND BROADCASTING SERVICES (HON. DR. MUSHOHWE): Mr. Speaker, I move that the debate do now adjourn.

Motion put and agreed to.

Debate to resume: Tuesday, 12th April, 2016.

*On the motion of THE MINISTER OF INFORMATION, MEDIA AND BROADCASTING SERVICES, the House adjourned at Twenty-six Minutes to Five o’clock p.m. until Tuesday, 12th April, 2016.*