

Zimbabwe: Intra-Africa trade and tariff profile 2020



Regional Economic Communities

Zimbabwe is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). The African Continental Free Trade Agreement (AfCFTA) entered into force on 30 May 2019. Zimbabwe ratified the AfCFTA but has yet not submitted the schedule of tariff concessions.

COMESA

Members of the COMESA FTA:



COMESA has 21 member states, 17 of which are part of the COMESA Free Trade Area. DRC, Eritrea, Ethiopia and Somalia are all in the process of accession

SADC

Members of the SADC FTA:



SADC is a Regional Economic Community with 16 member states - all the SACU countries, Angola, DRC, Seychelles, Comoros, Madagascar, Tanzania, Zimbabwe, Zambia, Mauritius, Mozambique and Malawi. 13 SADC member states are members of the SADC Free Trade Area (FTA). Comoros and DRC are yet to join the FTA. Angola has submitted its tariff offer to join the SADC FTA.

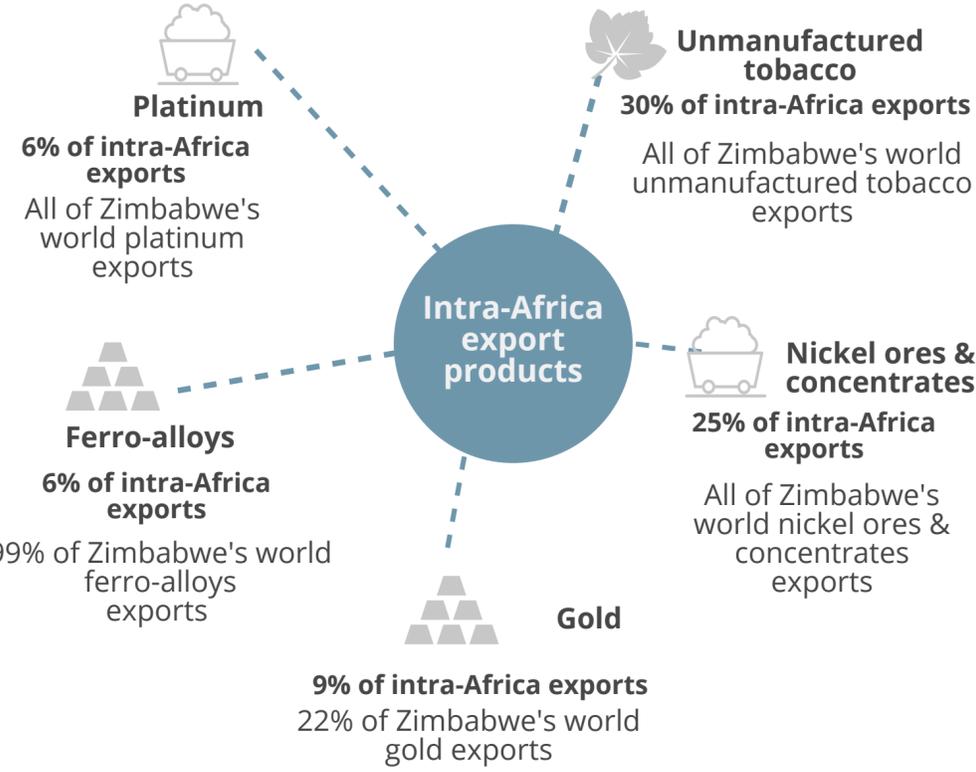
Intra-Africa exports

For 2020, 55% of Zimbabwe's world exports were to the rest of Africa. Zimbabwe's main African destination markets are other COMESA and SADC countries. The value of 2020 intra-Africa exports is US\$2.4 billion. The main export products are unmanufactured tobacco and nickel ores & concentrates.

Intra-Africa exports 2019-2020 ▼ **8%**

MAIN DESTINATIONS

- South Africa:** 71% of intra-Africa exports
- Mozambique:** 17% of intra-Africa exports
- Uganda:** 5% of intra-Africa exports
- Zambia:** 2% of intra-Africa exports
- Kenya:** 2% of intra-Africa exports



Intra-Africa imports

For 2020, 60% of Zimbabwe's world imports were intra-Africa imports. Zimbabwe's intra-Africa imports are mainly from COMESA and SADC. Between 2019 and 2020, intra-Africa imports increased by 32%. Maize is the main import product.

Intra-Africa imports



- Maize or corn (9.09%)
- Electrical energy (5.05%)
- Soya-bean oil (3.03%)
- Fertilisers (2.02%)
- Petroleum oils (excl. crude) (2.02%)
- Other (78.79%)

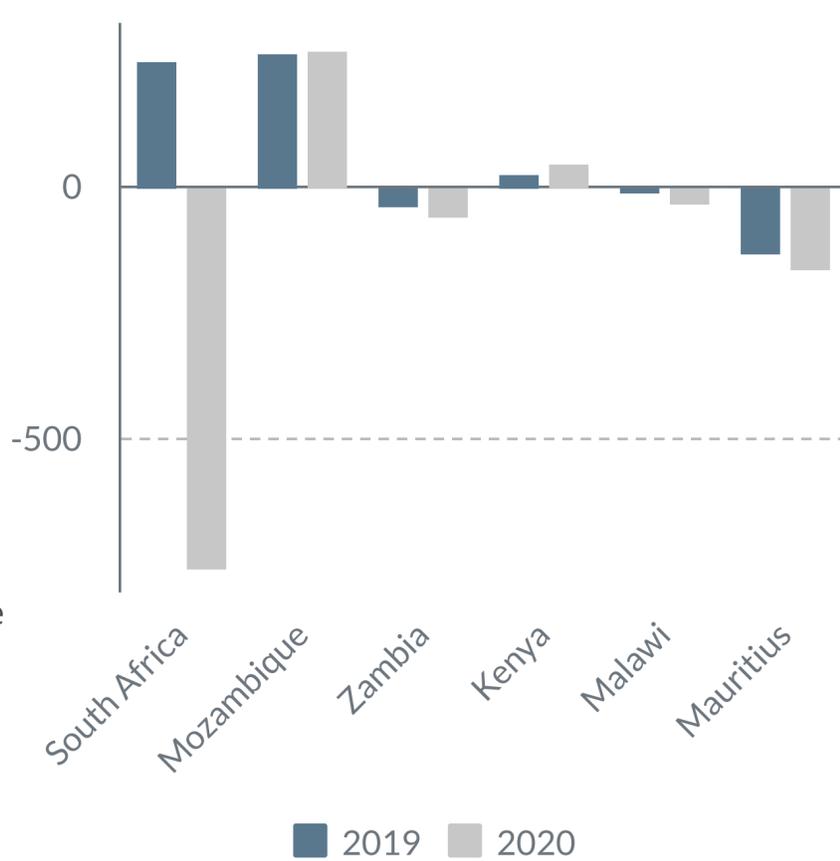
intra-Africa imports as % of world imports of designated products

| | |
|--------------------------------------|------------|
| Maize or corn (9.09%) | 88% |
| Electrical energy (5.05%) | 99% |
| Soya-bean oil (3.03%) | 76% |
| Fertilisers (2.02%) | 93% |
| Petroleum oils (excl. crude) (2.02%) | 11% |

% change in exports and imports (2019 to 2020)

| | |
|---------------------|--|
| South Africa | Exports: 18% decline Imports: 34% increase |
| Mozambique | Exports: 15% increase Imports: 52% increase |
| Zambia | Exports: 12% decline Imports: 16% increase |
| Mauritius | Exports: 118% increase Imports: 22% increase |
| Uganda | Exports: 1156209% increase Imports: 276% increase |
| Botswana | Exports: 8% decline Imports: 11% decline |

Trade balance with designated countries (US\$m)



Intra-Africa tariffs

Most of the goods imported into Zimbabwe from other SADC and COMESA FTAs enter duty-free. Imports from countries outside the COMESA and SADC FTAs face MFN applied duties with many tariff bands and specific combined tariffs.

MFN duty categories & % of national tariff lines in each category

specific and/or combined tariff

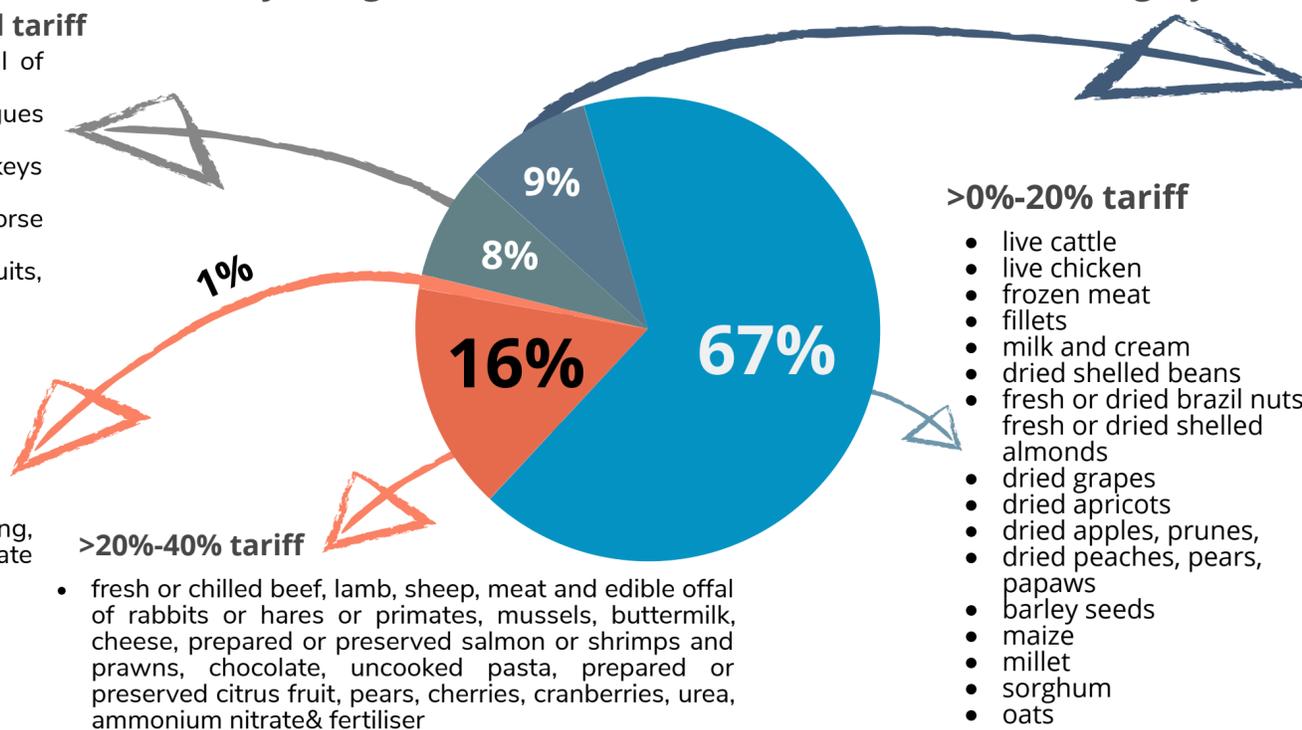
- fresh or chilled edible offal of bovine animals
- frozen edible bovine tongues & livers
- frozen domestic ducks, turkeys & geese
- frozen tilapia, jack & horse mackerel
- butter, pasta, sweet biscuits, waffles and wafers, bread,

>40% tariff

- mineral waters
- non-alcoholic beverages
- unmanufactured tobacco
- tableware and kitchenware
- articles of leather
- household and toilet articles
- appliances for baking, frying, grilling and cooking and plate warmers, for domestic use
- stoves
- heaters
- grates
- wash boilers

>20%-40% tariff

- fresh or chilled beef, lamb, sheep, meat and edible offal of rabbits or hares or primates, mussels, buttermilk, cheese, prepared or preserved salmon or shrimps and prawns, chocolate, uncooked pasta, prepared or preserved citrus fruit, pears, cherries, cranberries, urea, ammonium nitrate & fertiliser



Duty-free

- breeding animals
- fresh, chilled, frozen or dried fish
- bulbs
- tubers
- medicaments
- human blood
- immunological products
- newspapers
- printed books
- self-propelled graders and levellers
- tractors
- drilling and milling machines
- knitting machines
- textile doubling or twisting machines

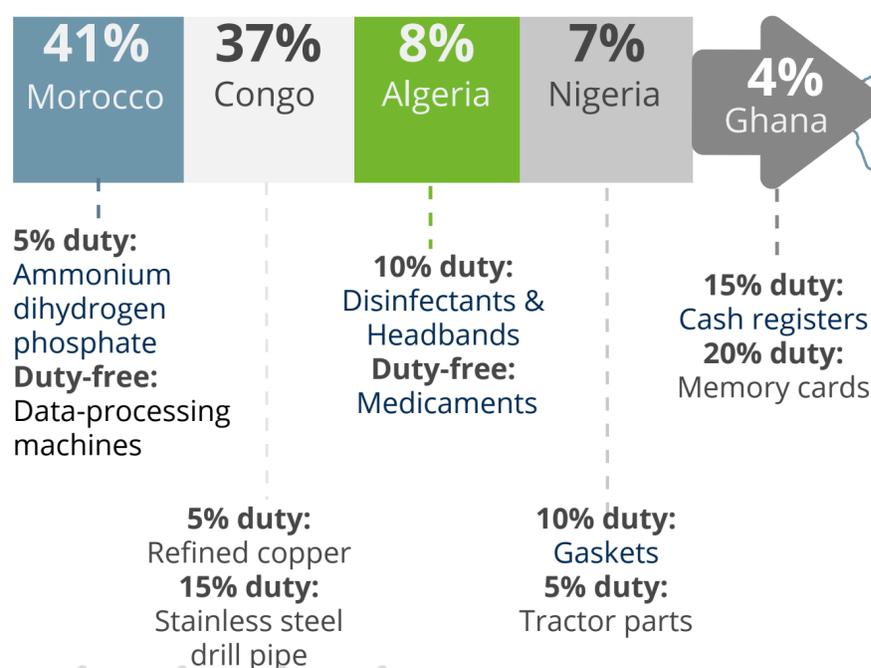
>0%-20% tariff

- live cattle
- live chicken
- frozen meat
- fillets
- milk and cream
- dried shelled beans
- fresh or dried brazil nuts
- fresh or dried shelled almonds
- dried grapes
- dried apricots
- dried apples, prunes, papaws
- dried peaches, pears, papaws
- barley seeds
- maize
- millet
- sorghum
- oats

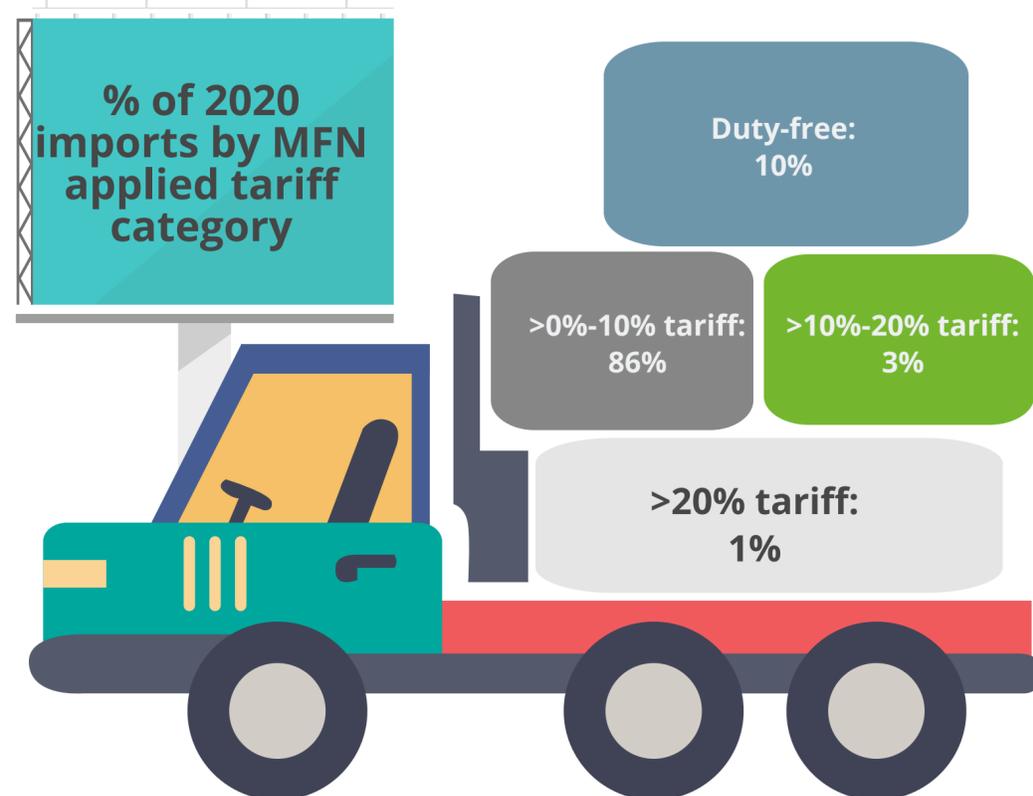
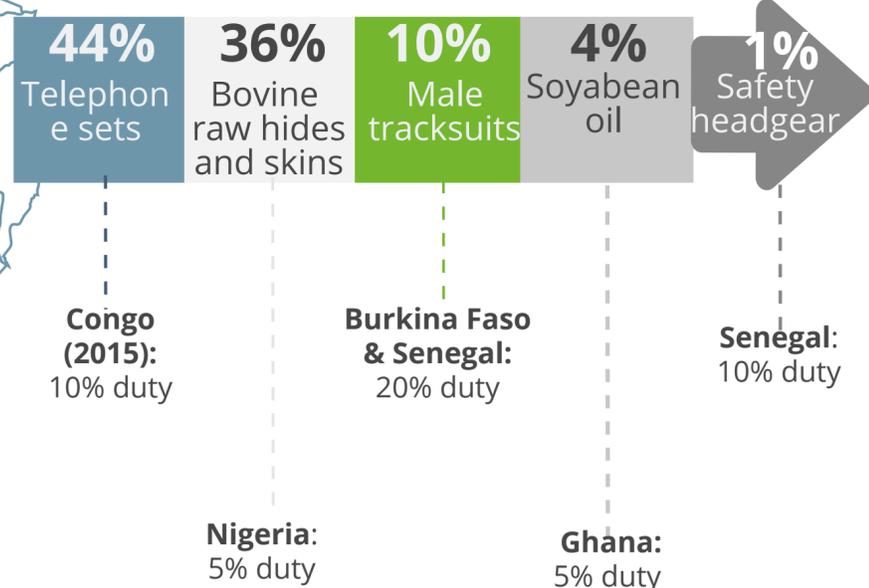
Trade with African countries outside COMESA and SADC

Only 0.002% of the world and 0.003% of intra-Africa exports are to African countries not members of COMESA & SADC. 94% of these exports are telephone sets, bovines raw hides and skins, male tracksuits n.e.s, and soya bean oil. In terms of imports, 0.06% of the world and 0.11% of intra-Africa imports are sourced from African countries outside COMESA & SADC. Imports are mainly ammonium dihydrogen phosphate and refined copper. These imports account for 78% of imports from African countries not members of COMESA & SADC.

Imports into Zimbabwe



Exports from Zimbabwe



All of Zimbabwe's world imports of woven fabrics of cotton \geq 85% cotton by weight and weighing \leq 200 g/m² are sourced from African countries outside COMESA & SADC; also 67% of wrist-watches of precious metal; and 50% of ores and concentrates.

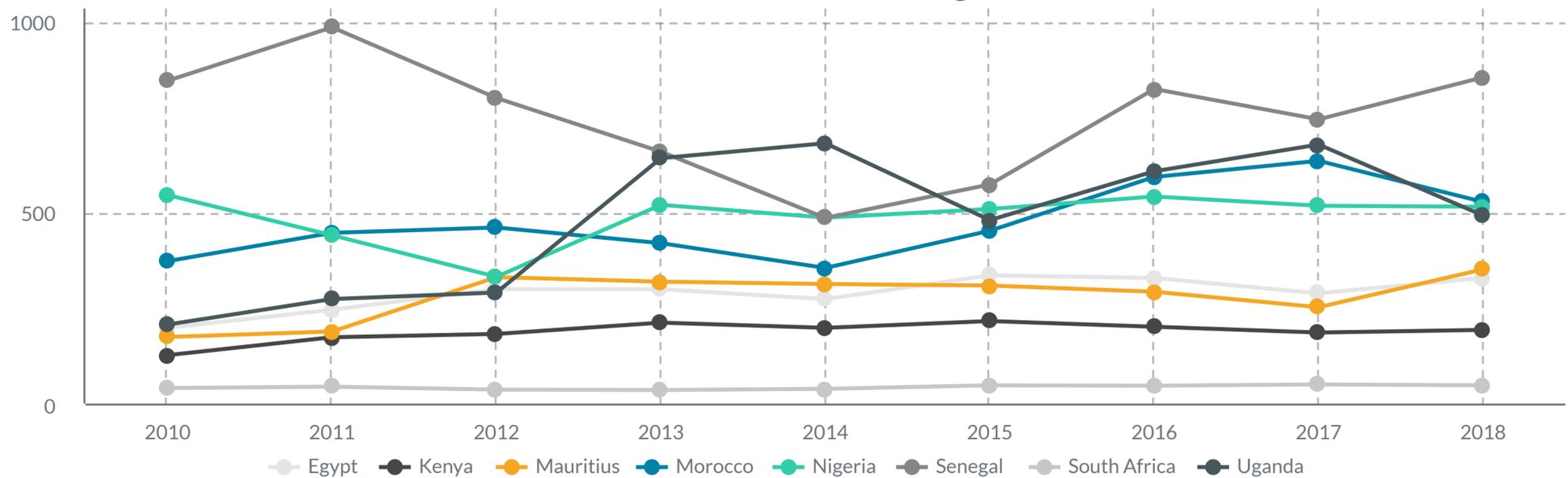
Of the top 20 import products, the highest tariffs (40% duty) are applicable to imports of human hair. A 35% duty is applied on imports of goods vehicles. Imports of memory cards and make-up products are charged 20% duty. Gaskets sets or assortments face and cash registers a 15% duty. Refined copper, roller bearings, fuel lubricants, machines and mechanical appliances, n.e.s and ammonium dihydrogen phosphate face a 5% import duty. Data-processing machines and telephone sets are imported duty-free. A 10% duty is charged on following imports:

- gaskets,
- tractor parts
- float glass & surface ground glass
- sparking plugs.

Non-tariff trade costs

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Zimbabwe's trade with African countries (including Senegal, Ivory Coast, Madagascar, Morocco, Nigeria) is more costly than trade with Brazil, India, Russia, France, Germany, China, the United Kingdom and the United Arab Emirates.

Cost of bilateral trade between Zimbabwe and designated countries; 2010-2018



The most expensive product to export to Angola via road transport is a plough (US\$8.77 per unit).

Road transport costs for coal exports:

- Tanzania (US\$0.02 per unit)
- South Africa (US\$0.002 per unit)

Food preparations n.e.s exports:

- Tanzania (US\$0.84 per unit)
- South Africa (US\$0.62 per unit)

Per unit cost of maize seeds

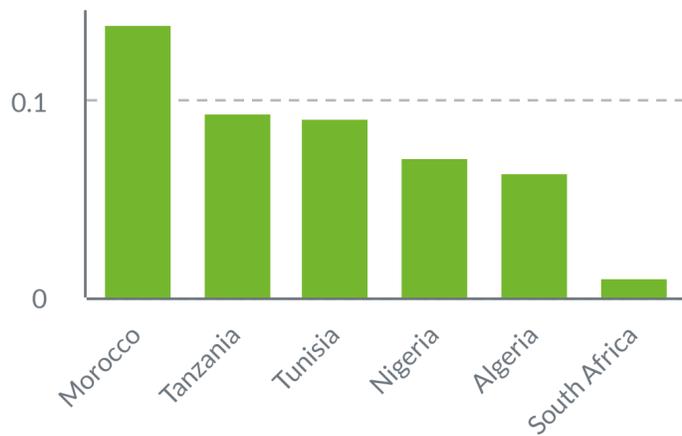
- Nigeria (US\$0.32)
- South Africa (US\$0.48)

The per unit cost of transporting iron/steek bars & rods and unmanufactured tobacco by road to Algeria is US\$0.63.

Road transport costs of goldsmith articles:

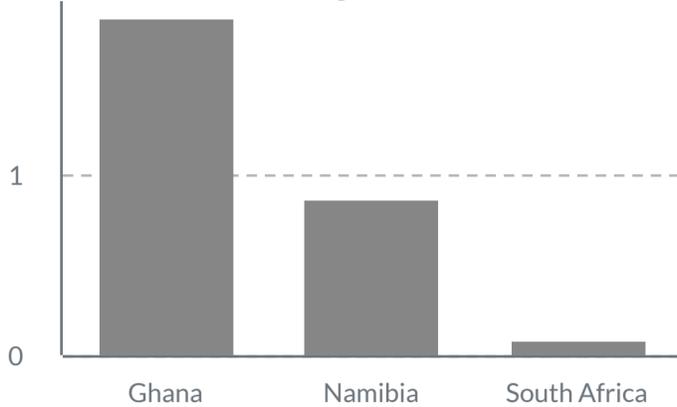
- Tanzania (US\$0.72 per unit)
- South Africa (US\$0.24 per unit)

US\$ per unit cost of road transport unmanufactured tobacco



Transportation costs
The UNCTAD transport cost database measures the cost of bilateral transport by product. Transport cost is defined as the difference between the Cost, Insurance and Freight value and Free on Board value of goods. Transport cost across all modes of transport (road, rail, air, and sea) is included. The initial data is for 2016, but is in the process of being updated.

US\$ per unit cost of road transport for aluminium household goods



Road transportation of flavoured water is the most expensive. Road transport to South Africa is the highest because of the high costs of transporting flavoured water via road transport.

The WTO-OECD Balanced Trade in Services Dataset (BaTiS) is an experimental dataset which contains a complete, consistent and balanced matrix of international trade in services. Statistics cover the period 2005-2019, for over 200 reporters and partners, and 12 EBOPS 2010 categories in addition to total services.

Services exports 2019

Transport

- Mozambique: US\$7 million
- Kenya: US\$2 million
- South Africa: US\$1 million
- Botswana: US\$1 million
- DRC: US\$1 million

Commercial services

- South Africa: US\$25 million
- Mozambique: US\$8 million
- Nigeria: US\$6 million
- Angola: US\$4 million
- Zambia: US\$4 million

Travel

- South Africa: US\$24 million
- Nigeria: US\$6 million
- Zambia: US\$4 million
- Angola: US\$3 million
- Mozambique: US\$1 million
- Mauritius: US\$1 million

Mozambique

- Other commercial services: US\$1 million
- Other other services: US\$1 million

Services imports 2019

COMMERCIAL SERVICES

- South Africa: US\$56 million
- Egypt: US\$10 million
- Zambia: US\$9 million

TRAVEL

- South Africa: US\$46 million
- Egypt: US\$6 million
- Mauritius: US\$4 million

TRANSPORT SERVICES

- South Africa: US\$10 million
- Egypt: US\$4 million
- Kenya: US\$3 million

ESWATINI

- Other commercial services: US\$1 million
- Other services: US\$1 million

Sources: ITC TradeMap for trade in goods, WTO Tariff Facility for tariffs; World Bank for non-tariff trade costs; UNCTAD for transportation costs; and WTO for trade in services

