



Zimbabwe – a brief overview

The UK annexed Southern Rhodesia from the [British] South Africa Company in 1923. A 1961 constitution was formulated that favored whites in power. In 1965 the government unilaterally declared its independence, but the UK did not recognize the act and demanded more complete voting rights for the black African majority in the country (then called Rhodesia). UN sanctions and a guerrilla uprising finally led to free elections in 1979 and independence (as Zimbabwe) in 1980. Robert MUGABE, the nation's first prime minister, has been the country's only ruler (as president since 1987) and has dominated the country's political system since independence. His chaotic land redistribution campaign, which began in 2000, caused an exodus of white farmers, crippled the economy, and ushered in widespread shortages of basic commodities. Ignoring international condemnation, MUGABE rigged the 2002 presidential election to ensure his reelection. In April 2005, the capital city of Harare embarked on Operation Restore Order, ostensibly an urban rationalization program, which resulted in the destruction of the homes or businesses of 700,000 mostly poor supporters of the opposition. President MUGABE in June 2007 instituted price controls on all basic commodities causing panic buying and leaving store shelves empty for months. General elections held in March 2008 contained irregularities but still amounted to a censure of the ZANU-PF-led government with the opposition winning a majority of seats in parliament. MDC opposition leader Morgan TSVANGIRAI won the most votes in the presidential polls, but not enough to win outright. In the lead up to a run-off election in late June 2008, considerable violence enacted against opposition party members led to the withdrawal of TSVANGIRAI from the ballot. Extensive evidence of violence and intimidation resulted in international condemnation of the process. Difficult negotiations over a power-sharing government, in which MUGABE remained president and TSVANGIRAI became prime minister, were finally settled in February 2009, although the leaders failed to agree upon many key outstanding governmental issues. MUGABE was reelected president in June 2013 in balloting that was severely flawed and internationally condemned.

Economy of Zimbabwe

Zimbabwe's economy is growing despite continuing political uncertainty. Following a decade of contraction from 1998 to 2008, Zimbabwe's economy recorded real growth of more than 9% per year in 2010-11, before slowing to 5% in 2012, due in part to a poor harvest and low diamond revenues. However, the government of Zimbabwe still faces a number of difficult economic problems, including infrastructure and regulatory deficiencies, ongoing indigenization pressure, policy uncertainty, a large external debt burden, and insufficient formal employment. Zimbabwe's 1998-2002 involvement in the war in the Democratic Republic of the Congo drained hundreds of millions of dollars from the economy. The government's subsequent land reform program, characterized by chaos and violence, badly damaged the commercial farming sector, the traditional source of exports and foreign exchange and the provider of 400,000 jobs, turning Zimbabwe into a net importer of food products. Until early 2009, the Reserve Bank of Zimbabwe routinely printed money to fund the budget deficit, causing hyperinflation. Dollarization in early 2009 - which allowed currencies such as the Botswana pula, the South Africa rand, and the US dollar to be used locally - ended hyperinflation and reduced inflation to about 10%, but exposed structural weaknesses that continue to inhibit broad-based growth.

Key agri-products of Zimbabwe

Key agri-products of Zimbabwe are corn, cotton, tobacco, wheat, coffee, sugarcane, peanuts; sheep, goats, and pigs.

Key Industries of Zimbabwe

Key industries of Zimbabwe are mining (coal, gold, platinum, copper, nickel, tin, diamonds, clay, numerous metallic and nonmetallic ores), steel; wood products, cement, chemicals, fertilizer, clothing and footwear, foodstuffs and beverages.

Zimbabwe's major trading commodities and partners

Major export commodities of Zimbabwe are platinum, cotton, tobacco, gold, ferroalloys, textiles/clothing while its major export partners are China 21.1%, South Africa 15.1%, Democratic Republic of the Congo 12.1%, Botswana 10.8%, Italy 4.6% (2012). Moreover, major import commodities of Zimbabwe are machinery and transport equipment, other manufactures, chemicals, fuels, food products while, its major import partners are South Africa 51.9%, China 10% (2012).

Economic Relations between Pakistan and Zimbabwe

Pakistan-Zimbabwe relations relates to foreign relations between Pakistan and Zimbabwe. Pakistan is represented in Zimbabwe by maintaining an embassy in the capital, Harare. The two countries have noteworthy cultural and political ties, such as initiating and participating in joint defence pacts before. The friendship between Pakistan and Zimbabwe dates back to the times of the war of liberation of the country, during which Pakistan was known to have provided an immense amount of extended moral and material support to many Zimbabwean freedom fighters, by providing armed machinery and helping rebuild the Gweru airbase which was destroyed during the liberation struggle. In the defence sector, the Pakistan Air Force has played a role in the establishment of the Zimbabwe Air Force. Since 1983, both the countries have been involved in military and defence co-operation. Pakistani expatriate community resides in Zimbabwe, numbering over 400 as of 2005 that largely consist of professionals, businesspeople and traders.

Bilateral Trade Relations between Pakistan and Zimbabwe

The bilateral trade between the two countries stood at \$ 8Mn in 2012, out of which Zimbabwe exports to Pakistan stood at \$ 3.1Mn while its imports from Pakistan stood at \$ 4.9Mn.

Trading Commodities between Pakistan and Zimbabwe

Zimbabwe exports coffee, tea, tanning, dyeing extracts, machinery, iron and steel etc. to Pakistan while it imports manmade fibers, cereals, cotton, vehicles and textile articles, etc. from Pakistan.

Potential for enhancing bilateral trade relations between Zimbabwe and Pakistan

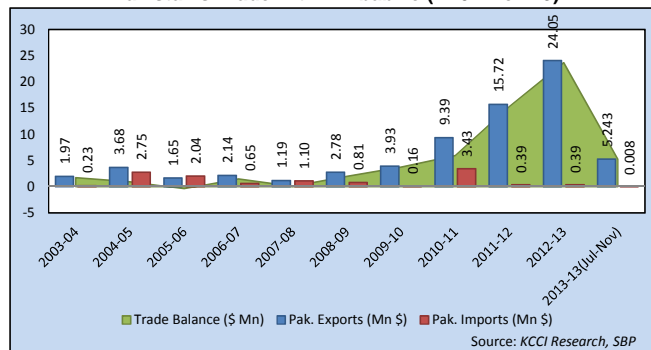
There is much potential between the two countries for enhancement of its bilateral trade as the overall trade was just \$ 8Mn in 2012. Effective and strategic steps towards promotion of bilateral trade platforms would help in enhancing trade between the two nations.

Economic Indicators

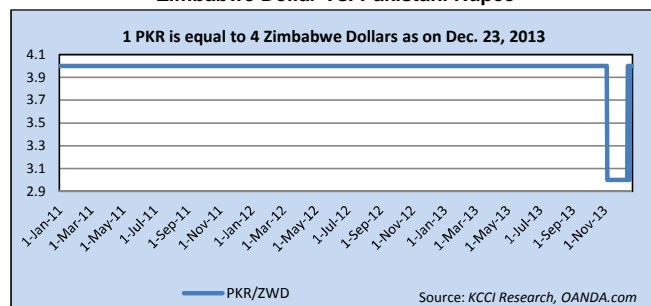
Indicators	Unit	2011	2012 est.	Change
GDP (PPP)	\$ Bn	7.05	7.37	4.42%
GDP per Capita	\$	500	600	20.00%
GDP growth	%	10.6	4.4	-6.20%
Forex Reserves	\$ Bn	0.66	0.58	-12.83%
External Debt	\$ Bn	6	9	39.69%
Exports	\$ Bn	2.93	3.31	13.03%
Imports	\$ Bn	4.27	4.57	6.95%
Trade Balance	\$ Bn	-1.34	-1.26	-6.34%
Current Account	\$ Bn	-0.62	-0.52	-16.03%
CPI	%	5.4	8.2	2.80%
Unemployment	%	NA	NA	#VALUE!
Discount Rate	%	NA	NA	#VALUE!

Sources: KCCI Research, CIA Factbook, TDAP, SBP

Pakistan's Trade with Zimbabwe (FY04-Nov'13)



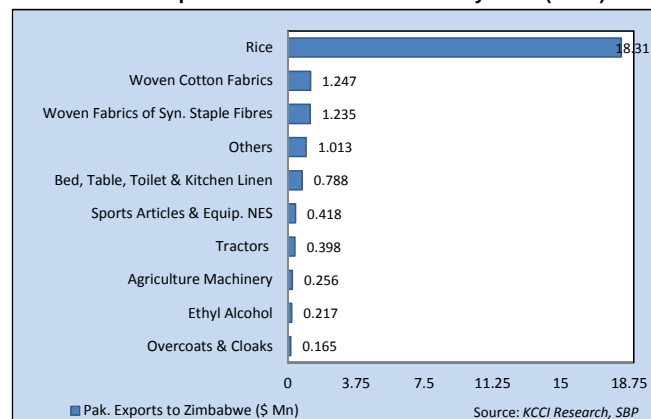
Zimbabwe Dollar Vs. Pakistani Rupee



Key Memberships

Zimbabwe belongs to a number international organizations, including the ACP, AfDB, AU, COMESA, FAO, G-15, G-77, IAEA, IBRD, ICAO, ICRM, IDA, IFAD, IFC, IFRC, ILO, IMF, IMO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), MIGA, NAM, OPCW, PCA, SADC, UN, UNAMID, UNCTAD, UNESCO, UNIDO, UNISFA, UNMIL, UNMISS, UNOCI, UNWTO, UPU, WCO, WFTU (NGOs), WHO, WIPO, WMO, WTO

Pakistan Exports to Zimbabwe - Commodity Wise (FY13)



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