

THE DECLARATION OF THE CAUCUS GROUP OF REPRESENTATIVES
OF

INFORMAL ECONOMY GROUPS IN ZIMBABWE

22-23 October 2021

Jameson Hotel

As facilitated by



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Organising the Informal Economy Workers Groups

*Declaration by the provincial representatives of the informal economy organisations towards
a sustainable National Formalisation Strategy following a process which commenced 19-12-
2020 to 23-10-2021*

Introduction

Declaration by the Informal Economy Groups and Organisations in Zimbabwe 23 October 2021 at a caucus meeting facilitate by the organised labour (ZCTU & ZFTU) after a focus group discussion conducted with assistance of the ILO – ACTRAV which sought to gather data in relation to responding to the call for National Formalisation Strategy for Zimbabwe. The Declaration is preceded by several sessions of brainstorming, workshops which unraveled the current context, political terrain, recent and ensuing developments within the governments and social partners, analysis of country risk factors, digitalisation & industry 4.0, disaster preparedness mechanisms and climate change effects & smart towns and cities agenda. The Trade Union leaders from ZCTU & ZFTU and Informal Economy leaders took part in the process included presentations from technical experts and directors of institutes specializing on the various issues affecting the different facets of the economy, review and evaluation of previous relationship and sharing of experiences. The leaders of Informal Economy Organisations and Associations from the 10 provinces and seven national associations determined to work together with ZCTU & ZFTU in the effort to enforce Chapter 4 of the Zimbabwe Constitution (Bill of Rights) and in particular Sections 64 & 65, ILO Recommendation 204 and the UN Leave No One Behind 2030 vision as the anchor for National Formalisation Strategy with a view to develop wide range social, economic & technical partnership. These informed the values and principles upon which the process, sequencing, coordination and implementation of the National Formalisation Strategy should underpinned. In this context the ZCTU & ZFTU alongside these 17 informal economy organisations should prioritise.

1. Improved wellbeing and work environment of the working people in the 92 districts of Zimbabwe

(Poverty reduction focused & gender sensitive as well application of labour standards)

2. Capacity building for the Trade Union and Informal Economy Structures

(Mainstreaming of the Decent Work Agenda)

3. Improved local governance planning and inclusive national development with a view to ensuring that Zimbabweans are prioritised for commercial and other business with ease entry

(Review and evaluation of the policies, laws and bi- laws including introduction of laws to facilitate achievement of the objective)

4. Conducive environment for industrialisation and industry development where value chain services prioritise Zimbabwean and trade and development agreements should incorporate value addition and beneficiation.

(Innovation, Introduction of new business models, creation of more industrial parks)

5. Financial inclusion strategies should address the gaps in the financial and capital markets identifying FinTechs with products targeting workers and retrenched, MSMEs and job seekers so as to curtail disenfranchisement

6. Improved government revenue by widening the tax bases and achieving inclusive growth which must ride on a national development agenda which is adopted by all stakeholders

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7. Reduction/ elimination of Country risk factors as agreed in the Kadoma declaration and incorporating verifiable processes towards eradication of fraud & corruption and illicit financial flows
9. Conclusive display of political will, better coordination and means of accountability to stakeholders which respects the social and development partners.
10. Leveraging on digitalisation to enable workers retrenched and informal economy workers to access long term finance for investments and development as well as ensure protection of Data
11. Monitoring of trade agreements, debt, local and national & global development policies particular on how they impact on the lives social welfare of Zimbabweans and so far as they hamper or assist development.
12. The creating of an environment youth development and skills alignment which enables Zimbabwean youth to have the choice to work or develop individual who can master skills, develop relationships, grow in independence, and move to new levels of thinking and understanding about themselves and the world.
13. The process must inculcate social dialogue and respects all its tenets as a means of achieving sustainable development incorporating conflict management, dispute settlement and conflict resolution.

Preamble

We the representatives of the informal economy organisations drawn from the 10 provinces of the Zimbabwe working in conjunction with ILO ACTRAV and Organised Labour ZCTU & ZFTU, embarked on a process to respond to the call for a national formalisation strategy. We have been meeting as facilitated by the ILO – Actrav through ZCTU, ZFTU 1) 17th December 2020, 25 August 2021, 15 September 2021 & 22 October 2021. In the 4 workshops we learnt of various sources of exclusion which result in creating spaces designed to exclude other people and therefore determine their quality of jobs and standards of living. These can be in language which can impose on nature, geographical location, which can cause spatial exclusion, access to services including technology and other opportunities which results in forming poor class and the rich class, quality of education and knowledge on investment opportunities which can limit growth and or expansion informal economy workers micro and MSMEs and ability of the workers within these circles to enjoy decent work and national development programmes and trade agreements made and implemented without wide consultation which can lead social and economic erosion and herewith state the following as our declaration, expectations and

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proposals for transformative, inclusive, developmental and sustainable National Formalisation Strategy for Zimbabwe

DECLARE that;

Appreciating the efforts by the government efforts to come up with a National Formalisation Strategy

Acknowledging the efforts by the organised labour ZCTU & ZFTU to ensure that the National Formalisation Strategy is developmental, decentralised, depoliticised, demilitarised, devolutionised, and democratic

Recognising that the TNF is now a Legal institution which provides a channel which we can use to get policy makers

Noting that the ILO Recommendation 204 cannot become real with a strategy and road map

Recognising that there is need to have a bipartite relationship which coordinates and oversees the implementation of the strategy so that its sequencing, process and outcomes are poverty reduction focused, gender sensitive, and developmental.

Noting that the need to provide conflict management and conflict resolution mechanism in the process of transforming informal activities

Noting the impact of retrenchments, layoffs and colleges churning out graduates with no hope for employment in the professions they qualified for

Hereby declare that

1. the sole purpose of the bipartite relationship is to seek to address the hyper casualisations, fragmentation and disenfranchisement of our economy and arrest all the systems operating outside the margins
2. That all national development plans should be inclusive, de-militarised, de-politicised, decentralised/devolved, democratic and should be enabled to leverage on digitalisation for inclusive development.

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3. Ensuring that creation of decent work is for Zimbabweans is a priority in all developmental plans and trade agreements and responsive mechanisms to COVID 19 and other pandemics/disasters
4. The establishment of checkpoints to follow through this process and see to the addressing of
 - a. Reduction of systemic risk
 - b. Transitional Justice, and management from the formalisation efforts
 - c. Country stabilisation through
 - i. Devolution that is transformative
 - ii. Depoliticisation of investments & development programmes
 - iii. Demilitarisation – the soldiers and our war veterans must be sufficiently appreciated but allow the economy to prosper for the now and future generations.
 - iv. De-weaponisation of aid and any assistance in response to disasters
 - v. De-entitlements from past experiences which continue to destabilise
 - vi. De-Risk the environment. Implementation of Kadoma declaration as well as Wellness and Pandemic Preparedness
 - d. Curtailing of illicit financial flows
5. Mobilisation of domestic and foreign resources for establishment of domestic pools targeting, Retrenchees, Self-employed and MSMEs through the assistance by institutes like the NSSA
6. Bolstering support for the infrastructure that strengthens business and industry development in every district in the country.
7. Provide information and capacitate informal economy traders on new business models as well as designing of value chain services which capture the youth, the retrenchees and the marginalised.
8. Advocate for clear development policies and investments which provide for growth of the labour markets
9. Business with ease entry to capped for locals and doing away with hate speech, derogative and denigrative behaviours
10. Ensure accessibility of professional back-up and infrastructure which supports business development
11. De-mystify financial and capital markets and advocate for policies that promote financial inclusion

12. Local authorities templates and the Bi Laws to be aligned to the constitution be geared to create smart cities and resettlement areas which offer decent work and decent life styles.
13. Advocate for an environment that enables the trade unions and informal economy workers to leverage on digitalisation to enable them to access long term finance as well participate on the capital markets
14. Review of laws and trade agreements and all relevant ministries to introduce legal instruments in support of this process. And the ones to note are
 - a. Ministry of Labour and
 - b. Ministry of Finance
 - c. Ministry of Industry and Commerce
 - d. Ministry Local Government
 - e. Ministry Lands
 - f. Ministry Mines and any other relevant ministry.
 - g. Ministry of women & gender

Submit herewith a recommendation for a proposal to Organised Labour to institute a coordinated and projectized mechanism which enshrines agile, kanban & scrum methodologies. This is with the belief that the process of formalisation should be action oriented instead of that akin to coming up with a strategy document for submission but that documentation should be done as we go along and monitoring and evaluation be reported through the communication strategy to be agreed upon. The project can be located within the ZCTU Informal Economy Desk which will moderate the process quantitatively and qualitatively in a solution targeted approach and establish check points aligned to the process objectives including preparing submissions for the TNF.

Issue	Conflict Area	Recommendations
Land and property Operating space	Real estate markets	The operators should own their space and the local authorities collect rates and provide services
		There should be an agreement between occupiers of land and the local authorities
		Ministries of local government, Ministry of Lands & Ministry of Agriculture to operate in a coordinated manner
		Protection of locals from land invasions and takeover of land by foreigners

National Development programs & strategies	Budget allocations	<p>If the informal economy is almost 80% the budget allocation should be thus</p> <p>The must be support for institutions providing incubation facilities in a transparent manner like FINSEC</p>
	Public Procurement	<p>The policies and laws should be put in place to create the requisite environment</p> <p>There should be transparent in public procurements and correction of issues picked by the auditor general.</p> <p>Government and local authorities to be seen to visibly support small scale operators</p>
	NSSA	<p>The NSSA & government to capitalise efforts like the GEM-Portal so that retrenchees & Informal Economy traders and MSME can be incubated in preparation to access long-term finance</p>
	Trade Union Trustees	<p>To motivate for board resolutions that encourage investments which target re-deployable retrenchees and informal and small scale operators</p>
	NSSA	<p>To provide within its operation for a long term programme that will facilitate incubation of MSMEs particularly those operated by those who were once employed and were contributors to NSSA, those who were retrenched . To work with like minded institutes like FINSEC on projects that strengthen the small scale operators so that they create a pipeline of contributors to the NSSA schemes</p>
Agriculture & rural workers	Commodities Markets Price conflicts	<p>Ministry of Industry and commerce to introduce innovative means of price discovery</p>
		<p>Value chain services and commercial business and easy entry business like supermarkets to be left for locals</p>
		<p>When informal economy are distributors the original source of the products should be deemed accountable</p>
		<p>The government to be serious when it comes to dealing with corruption</p>
Political interference and polarisations	Social dialogue conflicts	<p>Need for leaders to be a-political and desist from toxic language</p>
		<p>Encourage tolerance and respect other persons democratic space</p>
Cultural conflicts 9		<p>Education on investments, growth and expansion of business</p>
		<p>All stake holders to make political declarations to separate politics from the process of formalisations and a regular barometer to check on this commitment to be undertaken by TNF</p>

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			Education and regular seminars on conflict management and generational ownership
Review of the Bi-Laws	Contradictions with the land laws & policies		Laws about the land must be clear Address the issue of Chinese, Nigerians & Indians dominating the rural and willy nilly grabbing land
	Provincial development planning and town planners		Categorisation of the land to be done with thoughts of not leaving anyone behind and creating smart cities and smart settlements
	Alignment of the sections 64 and 65 of the Constitution with the Bi-Laws		Alignment of Provincial and Town plans with the constitution and the Decent Work agenda and to be underpinned by the local needs with ownership by the locals
Stabilisation of the Financial markets	Money in the streets, Savings discouraged and so investments are suppressed		Get money off the streets by inculcating confidence
			Its bank managers taking the cash to the streets
			Policies that promote more listing for MSMEs
Decent Work	Labour markets		Salaries to be indexed to PDL
			Creation of a social protection floor which covers every citizen
Distorted prices	Price conflict		Articulated and meticulously planned action/ activities to address country risk factors Sector structures like NECs and Stock exchanges to be used for price discovery and mainstreaming corporate governance
Breaking up monopolies	Dealing competition, mergers and		Introduction of anti-trust laws and thorough analysis of trade agreements by all stake holders
Standardisation	Labour markets and employer employee relations		Every worker should know about the worker rights as provided for in the constitution Need to have awareness workshops and Union sector and geographical policies to change to accommodate informal economy workers
Taxes & licenses, fees and levies	Too high, not commensurate with the services		Need to widen revenue base, curb illicit financial flows
			Parliament sitting allowances to be indexed to the economy's performance

Leadership	Roles and responsibilities	The anticipated active institutions will be the Employment Creation Committee (ZCTU) & Economics & Policy Analysis (ZFTU) TNF
Communication Strategy	Political will and commitment to the process by all stakeholders	The process to have a communication strategy which tracks the entire process and particularise the checkpoints, set the tone and direction so that all communication activities between organised labour, informal economy districts & provincial representatives and other stakeholders work in harmony to achieve the desired change It must also bridge the situation scenarios of the interested parties and their purpose for endorsing this declaration and the success of the mission capturing the essential elements of the wanted change as outlined in this declaration

ZIMBABWE CONGRESS OF TRADE UNIONS (ZCTU)



REGISTRATION FORM

Dates of Workshop: 22 – 23 OCTOBER 2021

Location: JAMESON HOTEL

Workshop/Meeting: FOCUS GROUP DISCUSSIONS ON NATIONAL FORMALISATION

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