

### The New Zimbabwe

After decades of disastrous policies that have economically driven Zimbabwe into continual crises, President Mnangagwa was elected in August 2018, and has been working hard since his election to turn the country in a new direction. He wants to the world to know that Zimbabwe is open for business and that his administration is a new one with its own vision and is unequivocally committed to moving forward and past the Mugabe era.

President Mnangagwa understands the need to implement constitutional reforms, economic reforms, good governance, and rigorous human rights compliance. Fighting institutional corruption at all levels is also an essential focus of the Mnangagwa Administration. Thus far, Zimbabwe has passed nineteen separate pieces of significant legislation to align its laws with the constitution; is replacing the Access to Information and Protection of Privacy Act; and is engaging with civic leaders to discuss prior human rights abuses.

President Mnangagwa appointed an independent Head Commissioner to lead ZACC (Zimbabwe Anti-Corruption Commission). He not only appointed someone with a history of fighting corruption, but also gave ZACC broad and deep investigative authority, as well as arrest authority. The President also appointed a board of commissioners made up of members from his own party, the opposition, NGO's, and private criminal justice authorities. The ZACC commissioners are also almost evenly split between women and men.

The President is determined to respond to the "Zimbabwe Democracy and Economic Recovery Amendment Act of 2018." This U.S. legislation expressed support for Zimbabwe's reconstruction efforts and provided a roadmap for the country to be removed from U.S. sanctions and take its rightful place as one of the leading countries in Africa. The act also urges the U.S. Department of Treasury to support efforts to restructure, reschedule, or eliminate Zimbabwe's sovereign debt.

### **Current Businesses in Zimbabwe**

Despite existing sanctions, there are still significant economic investments being made in Zimbabwe. In June 2019, Zimbabwe announced it will partner with General Electric Co. (GE) and Power Construction Corporation of China to build a \$4 billion hydropower project on the border between Zimbabwe and Zambia. The 2,400-megawatt Batoka Gorge plant had been planned for years, and the African Development Bank has started mobilizing funds for its construction. In July, GE sent a delegation of senior officials to Zimbabwe to meet with government officials and explore further areas of cooperation.

In addition to GE Power, GE Healthcare is also invested throughout the country. Other U.S. companies committed to doing business in Zimbabwe include Caterpillar, Case, John Deere, Freightliner, Boeing, Pratt & Whitney, and Yum! with Kentucky Fried Chicken and Pizza Hut.

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President Mnangagwa has stated that his administration is engaged in ongoing talks with the Trump administration and that the relationship between the two sides is the best it has been in 20 years. In an interview with Bloomberg, he reinforced his commitment to engage with the international community and facilitate economic growth and investment in Zimbabwe.

### **Background on Sanctions**

Currently, the United States has designated 141 entities and individuals under U.S. sanctions, including President Mnangagwa and several state-owned enterprises. These were put into place under the prior government of President Mugabe. As stated, President Mugabe stepped down in November 2017 and President Mnangagwa was elected in August 2018. In the past year, President Mnangagwa has worked very diligently to change course.

In addition to sanctions, in FY 2019 Congress passed a provision in the appropriations bill that instructs the Secretary of the Treasury to request the executive directors of international financial institutions to vote against any extensions of loans or grants to the Government of Zimbabwe except to meet basic human needs or to promote democracy. Additionally, the Act prevents the federal government from appropriating any funds to assist the Zimbabwean government, except for health and education, unless approved by the Secretary of State after a review to ensure Zimbabwe is operating with transparent fiscal policies.

### **Calls to Remove U.S. Sanctions**

South African President Cyril Ramaphosa has called for the sanctions to be lifted to allow Zimbabwe to recover from its current economic crisis. Additionally, at the August 2019 G7 summit in France, Rwandan President Paul Kagame implored leaders from the U.S., U.K., Italy, Germany, Japan, and Canada to lift the sanctions currently on Zimbabwe. Tanzanian President John Magufuli, Chairman of the Southern African Development Community (SADC) also has forcefully advocated for the removal of sanctions, stating:

*"These sanctions have not only affected the people of Zimbabwe and their government but the entire region. It is like a human body, when you chop one of its part it affects the whole body. Therefore, I would like to seize this opportunity to urge the international community to lift sanctions it imposed on Zimbabwe. This brotherly country after all has now opened a new chapter and it is ready to engage with the rest of the world. It is therefore, I believe, in the interest of all parties concerned to see these sanctions removed."*

### **Zimbabwe of the Future**

Zimbabwe is eager to continue its reforms of the constitution, laws and regulations, to once more flourish. President Mnangagwa is excited about the possibilities that the change in leadership has provided and looks forward to conversations about new investment opportunities in the country and continuing forward with a full reform agenda.

