BILL WATCH 57/2019

[7th November 2019]

Update on Parliamentary Sittings 22nd to 24th October Both Houses of Parliament Will Reassemble on Tuesday 12th November

Both Houses will reconvene next week, having adjourned until Tuesday 12th November after their last sittings on 24th October. In the meantime, MPs and Ministers have been attending the pre-Budget Seminar at Victoria Falls from 30th October to 4th November.

Previous bulletins since the opening of the Second Session of this Parliament on 1st October have already covered the Government's legislative agenda for the session of Parliament [Bill Watch 54/2019 [link] of 22nd October] and the legislative output of the First Session [Bill Watch 55/2019 [link] of 24th October]. This bulletin outlines developments in Parliament during its first working sittings on 22nd, 23rd and 24th October.

In Parliament 22nd to 24th October

Anti-sanctions motions in both Houses

The President declared Friday 25th October a public holiday "for the national expression of opposition to the illegal sanctions imposed on Zimbabwe by certain countries" [link]. On Thursday in both Houses ZANU-PF members moved identical motions calling for the unconditional and immediate lifting of sanctions and applauding SADC states for their support in making 25th October a regional day for solidarity with Zimbabwe in this call. Members were invited to participate in the anti-sanctions march to the anti-sanctions event at the National Sports Stadium.

Senate

The Senate had a quiet week. On Tuesday 22nd and Wednesday 23rd there was brief debate on the customary vote of thanks to the President for his speech at the opening of the current session on 1st October. On Thursday 24th debate was both livelier and longer when Senators spoke on the antisanctions motion until 5.17 pm — and MDC-A Senators disputed ZANU-PF Senators' claims that sanctions were to blame for the state of the economy. It was an unusually late sitting for the Senate, which had risen at 3.35 pm on Tuesday and 3.05 pm on Wednesday.

National Assembly

In sharp contrast to the Senate, the National Assembly had a turbulent week. Repercussions of MDC-A MPs walk-out on the President at 1st October Joint Sitting

During the week there were repercussions of the penalty the Speaker imposed on MDC-A MPs on 1st October: that those MDC-A MPs who had remained seated when the President entered the National Assembly chamber to deliver the State of the Nation Address, and then walked out, had been guilty of disrespecting the Head of State and would forfeit their sitting allowances for that day and five earlier sittings; the full ruling is available on the Veritas website [link].

<u>Tuesday 22nd October:</u> At the start of business Hon Gonese [MDC-A] asked the Speaker to explain the principle underlying this penalty. The Speaker cut him short, saying he had already received an official letter on the subject from the MDC-A party, to which he would be replying.

Wednesday 23rd: At the start of Question Time, when an MDC-A MP put a question to the Minister of Public Service, Labour and Social Welfare, the Minister of Justice, Legal and Parliamentary Affairs suggested to the Speaker that if MDC-A MPs do not recognise the President – the official MDC-A party explanation for the walkout at the official opening – "they cannot therefore extend a question and expect an answer from a Minister who has been appointed by the President". The Speaker agreed. From then on the situation deteriorated, with MDC-A MPs insisting on their right to ask questions and resisting ejection from the chamber by the Sergeant-at-Arms and police officers. At 4.32 pm the House adjourned after what Hon Mliswa described as "an absolutely useless day", before he walked out in disgust over the absence of Ministers to answer questions.

<u>Thursday 24th:</u> Hon Mliswa [Independent MP for Norton] pleaded with the Speaker to reconsider his Wednesday ruling banning questions from MDC-A MPs. In response to Hon Mliswa the Speaker said he would reconsider his decision but would need time to think about it very deeply.

Anti-sanctions motion

This motion was moved on Thursday afternoon by Hon Nyathi of ZANU-PF. It was quiet enough until ZANU-PF MPs started alleging that MDC-A MPs had begged the USA and the EU to impose sanctions and should be regarded as terrorists pursuing a regime change agenda. MPs on both sides then started singing and interjecting, until the Temporary Speaker terminated proceedings at 5 pm and adjourned the House until 12th November, in terms of Standing Order 113 which allows a presiding officer to act in this way "in the case of great disorder arising".

Statutory Instruments [SIs] and General Notices [GNs] 23rd and 25th October and 1st November

23rd October [Gazette Extraordinary]

Traffic Safety Council Fees

SI 221A/2019 – regulations by the Minister of Transport and Infrastructural Development fixing ZWL\$ fees for the services offered by the Council, including defensive driving courses.

25th October 2019 declared a public holiday

SI 221B/2019 [link] – the President's declaration in terms of the Public Holidays and Prohibition of Business Act that Friday 25th October would be a public holiday "for the national expression of opposition to the illegal sanctions imposed on Zimbabwe by certain countries".

25th October

<u>Legal practitioners – GZU law degree recognised</u>

SI 222/2019 [link] — Legal Practitioners (Designated Legal Qualifications) (Amendment) Notice — this SI by the Council for Legal Education adds the Bachelor of Laws (Honours) degree of Great Zimbabwe University to the list of "designated legal qualifications" for admission to the legal profession. Law degrees from the University of Zimbabwe and Midlands State University are already listed.

Collective bargaining agreements

SI 223/2019 [link] – Insurance Industry – a cushioning allowance [100% of existing package of wage and allowances] for July, August and September 2019. This increases the minimum package for the lowest grade to RTGS\$ 907 [approximately US\$ 135].

SI 224/2019 [link] – Commercial Sectors – increased minimum wages for May 2019 to April 2020 by 50%. The minimum wage for the lowest grade goes up from RTGS\$ 261 to RTGS\$ 392 [approximately US\$ 45].

Public Service Vehicles - New licence and other fees

SI 225/2019 [link] – this SI enacts a new Fourth Schedule ["Fees"] for the Road Motor Transportation (Public Service Vehicles) Regulations of 1998 [fees for foreign public service vehicle operators are in US\$, and for Zimbabwean operators are in ZWL\$].

Customs duty suspensions

SI 226/2019 [link] – amendments, backdated to 1st January 2019, affecting the existing suspensions of duty for (1) specified fertilisers for the 2018-19 summer cropping season (2) buses imported by approved tour operators for use in the tourism industry.

SI 229/2019 [link] – an addition to the already long list of mining locations qualifying for 3-year suspensions, under section 9K of the principal regulations. The section provides for suspension of duty on goods imported for mine development operations on mines specified in statutory instruments such as this.

Income tax exemption & VAT refunds for Huawei Technologies Co.

SI 227/2019 [link] and SI 228/2019 [link], both made by the Minister of Finance and Economic Development and both backdated to 25th August 2014, give effect to the Framework Agreement between the Government of Zimbabwe and the Export-Import Bank of China ["the Bank"]. They confer taxation privileges for the purposes of NetOne Cellular (Private) Limited and TelOne

(Private) Limited infrastructure modernisation projects conducted using funds provided by the Bank. SI 227 exempts Huawei's receipts and accruals under the projects from income tax, non-resident tax on fees and capital gains tax. SI 228 provides for VAT refunds for the benefit of Huawei, NetOne and TelOne in respect of goods and services purchased for the projects using funds provided by the Bank.

1st November [Regular Friday Gazette]

Customs duty suspension

SI 230/2019 this lists provides for a two-year suspension of duty from 1st June 2019 on "power equipment, critical spares and transformer components" imported by ZESA group companies ZENT, ZETDC and ZPC. The list of goods covered fills several pages of small print.

Gazetting of Veterans of the Liberation Struggle Bill [link] GN 2016/2019 announced the publication of this Bill with the Gazette.

1st November [Late Afternoon Gazette Extraordinary]

New ZWL\$5 and \$2 banknotes

SI 231/2019 [link] - Reserve Bank of Zimbabwe (Issue of Two Dollar and Five Dollar Banknotes) Notice, 2019 was issued by the Minister of Finance and Economic Development and specifies the denominations, designs, form or material of new banknotes as determined by the President in terms of section 40(2) of the Reserve Bank of Zimbabwe Act.

This SI permits the Reserve Bank to issue new banknotes as foreshadowed in the *Press Statement 4th November on Deliberations of the Monetary Policy Committee* [MPC] [link]. The MPC recommended a gradual increase in cash supply over the next six months in response to the need for more cash for transactional purposes, saying that the current proportion of cash at 4% of broad money supply was well below regional and international levels and had led to the present undesirable cash premiums.

Note on issue of coins: Reserve Bank Governor Mangudya said in a Reserve Bank Public Notice dated 4th November [link] that in addition to the new banknotes, \$2 bond coins will be issued. These new bond coins and the existing bond coins and bond notes will circulate alongside, and be interchangeable with, the two and five dollar banknotes issued in terms of SI 231.

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