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LOCAL CONTENT STRATEGY 2026 - 2035



ZIMBABWE

**LOCAL CONTENT STRATEGY
2026 - 2035**

MINISTRY OF INDUSTRY AND COMMERCE

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Foreword

The Local Content Strategy (2026-2035) is not merely a continuation of past efforts; it is a strategic acceleration. It is the engine we are building to propel Zimbabwe towards Vision 2030. Where previous plans laid the foundation, this strategy erects the pillars of a modern, industrialized economy, fully aligned to National Development Strategy (NDS 2) and the Zimbabwe National Industrial Development Policy (ZNIDP 2).

This strategy seeks to accelerate broad-based economic empowerment of the citizenry, through harnessing Zimbabwe's industrial potential. It emphasizes leveraging local resource endowments, boosting domestic production and fostering value addition in key sectors of industry and commerce. The Local Content Strategy is a critical tool for realisation of Zimbabwe's true economic sovereignty.

This will be accomplished not simply by harnessing our natural resources, but by mastering the complex value chains that emanate from them. We will move our nation from a mere exporter of raw materials to a sophisticated producer of finished, high value goods. This strategy is the blueprint for that transformation, a blueprint for creating not just jobs, but careers and industrial champions that will empower the citizenry.

We stand at the dawn of the Fourth Industrial Revolution, and will not be passive observers, but active participants. This strategy mandates the weaponization of technology from artificial intelligence in our factories to blockchain in our supply chains as a tool for competitive advantage. Our goal is to enable a Zimbabwean manufacturer to compete globally, not on the basis of cheap labour, but on the foundation of superior technology and efficiency.

By fostering collaboration among Government, local and international businesses, the strategy aims to enhance local procurement, stimulate economic growth and create opportunities for all citizens. Initiatives like the "Make Local- Buy Local and Consume Local" Campaign will drive sustainable industrial growth and inclusivity.

Specific targets have been set to increase local procurement and boost manufacturing output. Policies, regulations, incentives and partnerships are in place to revitalize industry and commerce. The anticipated benefits include job creation, skills development, and economic empowerment.

This strategy will be monitored and evaluated to ensure objectives are met, with sustainability and responsible practices as core principles.

The success of this national endeavour rests on a new compact between Government, industry, and our citizens. This is a call to action for the patriot and the entrepreneur, the innovator and the investor. The government will clear the path and create an enabling business environment, but it is the private sector that must build the factories and win the markets.

Let us unite in this grand enterprise and build a legacy of prosperity and show to the world that the 21st century is Zimbabwe's century.

Hon. M. N. Ndhlovu

M. N. Ndhlovu

MINISTER OF INDUSTRY AND COMMERCE



Hon. M. N. Ndhlovu

Permanent Secretary Statement

The Zimbabwe Local Content Strategy 2026-2035 marks a pivotal moment in our nation's economic development journey. Building on the valuable lessons learnt from our previous plans, this new strategy provides a roadmap for deepening domestic value chains, enhancing industrial capacity and creating sustainable economic opportunities for all Zimbabweans.

This strategy is a call to action for every Ministry, Department, Agency, and stakeholder in both the public and private sectors. We acknowledge the importance of collaboration among all stakeholders. We are committed to creating an enabling environment for local businesses to thrive, through initiatives of localisation and empowerment programmes.

The Strategy Will Focus On The Following Key Priority Areas:

Human Capital Development – Moving beyond general skills training, but will collaborate with industry to map the precise technical skills required for priority value chains. Furthermore, financial resources will be mobilized to fund our polytechnics and universities to deliver these specific competencies. This is about building a workforce engineered for industrial success.

Local Content Development – Boosting local capabilities in manufacturing to enhance productivity for both domestic consumption and export.

Monitoring and Evaluation – Establishment of a public facing, 'Local Content Dashboard' for tracking progress against the core Key Performance Indicators in real time. Data will be collected and analysed on local content contributions, allowing us to measure economic impact, identify bottlenecks, and make agile and informed decisions.

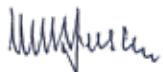
Public-Private Partnerships – Establishing formal channels for dialogue and collaboration to ensure an all-inclusive approach for both the local industries and commercial sector players.

Technological Innovation – Leveraging technologies such as artificial intelligence, automation and digitalization to drive efficiency, productivity, and competitiveness in local industries.

The task ahead is significant, but with our collective commitment, we can achieve a structural transformation of our economy. It is my hope and anticipation that this strategy will contribute significantly to economic growth, job creation, and skills development for all Zimbabweans, ensuring that no one and no place is left behind.

I, therefore, call upon all stakeholders to actively participate in the implementation of this strategy for the benefit and improvement of all citizens' livelihoods.

Dr. T. U. Wushe



PERMANENT SECRETARY FOR INDUSTRY AND COMMERCE



Dr. T. U. Wushe



Executive Summary

Successful implementation of the strategy will result in enhanced economic growth, employment creation, knowledge and skills transfer, thereby positioning the country on a sustainable industrial development trajectory towards Vision 2030.

The Local Content Strategy (2026–2035) seeks to leverage local resources, boost domestic production and foster value addition in industry and commerce in Zimbabwe. It represents a fundamental shift in Zimbabwe's economic trajectory—from laying foundations to achieving structural transformation.

This ten (10) year industrial masterplan, building on the 2019–2023 strategy, is designed to reconfigure our economy from the ground up. It is aligned with Vision 2030, and promotes sustainable industrial growth, economic inclusion, and competitiveness.

Our ambition is to transition Zimbabwe from a nation rich in potential to a continental powerhouse of finished, high-value goods, thereby capturing the full economic rent from our natural resource endowment.

The Strategy shall guide manufacturers in terms of thresholds for inclusion of local inputs into manufactures for the period 2026–2035. The LCS for the period 2019–2023 focused on 13 sectors and these were: pharmaceuticals, oil seeds, grain and cereals, dairy, horticulture, clothing and Textiles, leather and leather products, fertiliser and chemicals, rubber and articles thereof, soaps and detergents, articles of iron and steel, wood and timber, paper and packaging.

Where the preceding strategy identified the playing field, this new LCS defines the game plan for victory. We have learned from the past and are now setting more targeted and strategically defensible objectives. We will not simply aim for high percentages; we will target specific, high-impact nodes within a refined set of priority value chains. Our objectives—75% local content, 75% capacity utilisation, and 5% annual export growth—are benchmarks for a modern, industrialised economy.

Key areas of focus in the strategy include; promotion of local content through enhancing local procurement and resource utilization, using a cocktail of initiatives. This Strategy shall anchor on manufacturing, technological innovation and collaboration as its key tenets.

Local manufacturing will be enhanced to promote local consumption, exports, technological innovation leveraging on AI as well as the 4IR technologies for efficiency and competitiveness. Implementation of the strategy will be through regulations, incentives, partnerships as well as regular monitoring and evaluation of progress.

List Of Acronyms

AfCFTA	Africa Continental Free Trade Area
AI	Artificial Intelligence
CC	Certificate Of Compliance
COMESA	Common Market For East And Southern Africa
ICT	Information And Communications Technology
LCC	Local Content Committee
LCRA	Local Content Rating Agency
LCS	Local Content Strategy
M&E	Monitoring And Evaluation
MoIC	Ministry Of Industry And Commerce
NDS 1	National Development Strategy 1
NDS 2	National Development Strategy 2
SADC	Southern Africa Development Community
TORs	Terms Of Reference
UNECA	United Nations Economic Commission For Africa
VCRP	Value Chains Revitalisation Programme
ZIRGP	Zimbabwe Industrial Reconstruction And Growth Plan
ZNIDP	Zimbabwe National Industrial Development Policy
ZNIDP 2	Zimbabwe National Industrial Development Policy 2

Definition Of Key Terms

Local – The Zimbabwe mainland and its people.

Local Business – A business which is incorporated under the applicable laws of Zimbabwe and is operating in Zimbabwe.

Local Content – The total value added to goods, works or services, measured in money terms or percentage per dollar of expenditure remaining locally after the production process of goods or performance of the work or service has been concluded.

Local Goods – Products that are produced, grown or manufactured within a specific geographic area and consumed by people in the same area, or refer to goods obtained, produced or manufactured and have after-sales services in Zimbabwe.

Background

The Local Content Strategy (LCS) is applied by many countries including Zimbabwe, as a strategy to advance development and growth of domestic manufacturing industry and commerce.

The strategy is employed to promote the utilisation of domestic resources as major inputs in local production value chains, ensuring that local content levels, capacity utilisation, employment and manufactured exports, are reflective of the country's resource endowments.

LCS will result in increased competitiveness and sustainability of local industries, creation of local jobs and stimulation of economic growth, leading to improved living standards and reduced poverty.

The LCS is expected to transform the country's industry and commerce landscape towards a new diversified, competitive and inclusive upper-middle income economy by 2030.



FMCG Production Line

Local Content Strategy (2019-2023)



Strategic investments in essential infrastructure, like these storage facilities, are vital for strengthening local industrial capacity and ensuring sustainable resource management within Zimbabwe's Local Content Strategy.

In 2019, Government working with private sector, developed and implemented the Local Content Strategy (2019-2023). This strategy aimed at promoting local industry, value addition and linkages through the utilisation of domestic resources in line with NDS 1 and ZNIDP.

The objectives of the strategy were to:

Increase average local content levels in prioritized sectors from levels of approximately 30% in 2019 to 80% by 2023;

Increase capacity utilization in prioritized sectors from levels of approximately 45 % in to 75% by 2023; and

Increase manufactured exports in prioritized sectors by at least 5% annually between 2019 and 2023.

The major highlight in the implementation of the Strategy was the Local Content Thresholds Study that was done on Fertiliser, Pharmaceuticals and Packaging, with support of the United Nations Economic Commission for Africa (UNECA). However, the implementation had its own challenges which included slow implementation and lack of funding among others.

Strategic Industry Development: Key Targets Visualizing the Trajectory to 2035

local Content Levels

Proportion of locally Sourced inputs and value-add



Current (2025) **30%**

2035 Target **75%**

Growth Goal **+45 Points**

Capacity Utilisation

Percentage of maximum potential output being achieved



Current (2025) **53.2%**

2035 Target **75%**

Growth Goal **+21.8**

Manufactured Exports

Percentage of maximum potential output being achieved



Current To be established

2035 Target **+5%
Annually**

Continuous Growth
Required

Under the Zimbabwe Industrial Reconstruction and Growth Plan (ZIRGP) 2024-2025, Government strengthened the implementation of the LCS through the setting up of the Local Content Steering Committee to oversee its implementation. This culminated the need to review the strategy with the aim of coming up with a more robust successor strategy.

Local Content Strategy (2026-2035)

Given the lessons learnt from the preceding strategy, the LCS (2026-2035) seeks to enhance benefits to all stakeholders, through increased competitiveness in light of the opportunities presented by the Africa Continental Free Trade Area (AfCFTA), the Southern Africa Development Community (SADC), the Common Market for East and Southern Africa (COMESA) industrialisation strategies as well as other international business and trade protocols that the country is signatory to.

Government envisions a forward-looking Strategy for the LCS 2026-2035 in Zimbabwe that is inclusive, sustainable and embraces globally competitive industrial and commercial enterprises, driven by local resources and innovation.



The strategy is expected to move the economy up the value chain, promoting structural transformation and creating an enabling environment for businesses to grow.

Focus will be on broadening the resource pool, developing inclusive policies and ensuring a fair local trading system linked to regional and global markets.

Rationale And Context

The Local Content Strategy is anchored on strengthening domestic production capabilities through ensuring that key sectors contribute to industrial growth and self-sufficiency. The LCS is one of the strategies identified to accelerate our industrialisation and economic empowerment agenda through promoting production of goods and services leveraging on natural resource endowment within our country.

This strategy has been considered under the new industrial policy the ZNIDP 2 and is aligned to the NDS2 as well as the demands under the global, continental and regional industrial protocols.

LCS will also target industrial growth and enhancement of local industries capabilities and competitiveness.

Employment creation through opportunities generated, may also lead to significant skills development, which can help reduce dependence on imports, through the promotion of local procurement, when correctly executed.



Promoting and supporting locally produced goods, such as dairy products and staples, is central to boosting domestic consumption and strengthening value chains under the Local Content Strategy.

Vision

Empowering local industry and commerce through domestication of priority value chains.

Mission

To create a vibrant, self-sustaining and competitive industrialized economy through utilisation of local resources.



 **Zimbabwe Is Open™
For Business**

H.E Dr E. D. Mnangagwa

Strategic Objectives



Flour Production Plant

The strategy targets:

- **To increase local content levels** in prioritised sub-sectors from current levels of approximately 30% in 2025 to 75% by 2035
- **To increase capacity utilisation** in prioritised sub-sectors from current levels of approximately 53.2% in 2024 to 75% by 2035
- **To increase local manufactures exports** in prioritised sub-sectors by at least 5% annually between 2026 and 2035.

Guiding Principles

- Beneficiation and Value Addition of local resources;
- Domestication of value chains
- Local, Regional & International Obligations Compliance;
- Local resource utilization and service provision
- Sustainable Consumption of Local Products.

Strategic Assumptions

- **Alignment with Vision 2030** – The LCS will be an integral part of Zimbabwe's broader Vision 2030 of transforming the country into an upper-middle-income society.
- **Continued Government Support** – Government will continue to support local industries through various initiatives to challenges faced by local industries.
- **Economic Growth and Stability** – there will be continued and sustained economic growth and stability under the National Development Strategy (NDS2 2026-2030.) blue print.
- **Local Resource Utilization** – The LCS shall encourage businesses to use more local resources in their production processes to boost domestic industries and reduce import dependency for intermediate inputs.



Bread Production Plant

Strategic Interventions

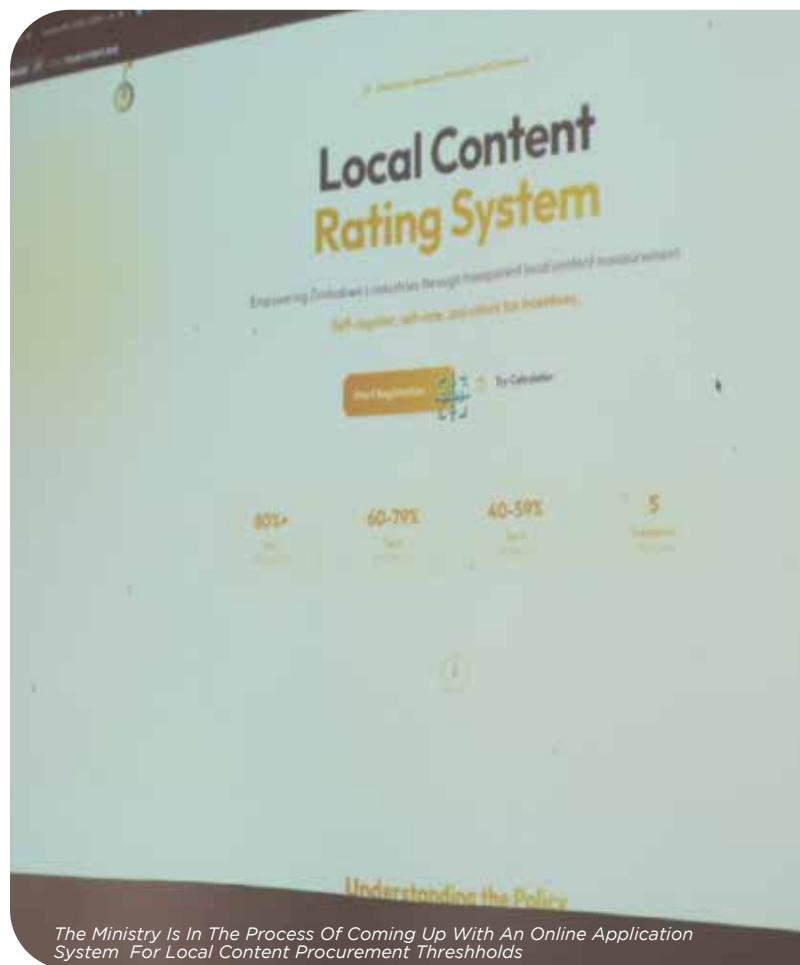
The following are key strategies, policy interventions and instruments necessary for adoption to achieve the objectives of the LCS (2026-2035).

•Business Opportunities for Women, Youth & People Living with Disabilities – Government will strengthen institutions that support local content development, such as training programmes and industry associations, targeting particular sectors and interest groups. Government will promote businesses owned by women, youth and people with disabilities, who are adhering to the LCS.

•Creating Business Opportunities for Local Firms – Government will create opportunities to promote survival and growth of local businesses that are adhering to LCS and facing unbearable competition from international businesses.



Hon Minister N M. Ndhlovu Chairing The Local Content Steering Committee



•Capacity Building and Employment Creation – Government will ensure enhancement of competencies for Zimbabweans in the skill sets required by industry and commerce.

•Funding to Capacitate Local Producers – Government will facilitate provision of financial support to local businesses and industries so as to ramp up local production of goods and services along prioritized value chains

•Fiscal Support – Government will continue to offer fiscal support to the productive sectors of the economy.

Strategic Interventions Cont'd

•Green Industry – Government will encourage balancing growth with environmental sustainability by promoting sustainable development, adopting clean and renewable energy, encouraging eco-friendly industrial practices and aligning operations with global sustainability standards.

•Local Production and Consumption Awareness Programmes – Government, in collaboration with the private sector, will conduct local production and consumption awareness programmes, aimed at appraising various stakeholders and consumers on the importance of local production and consumption.

The key message will be **“Make Local, Buy Local and Consume Local”**.



•Preferential Local Procurement – Government will ensure that consumers consume locally produced goods and services which meet prescribed minimum local content thresholds.

•Promotion of rural industrialisation – LCS will be enhanced through exploitation of resource endowments found in rural provinces.

•Research and Development – Government will ensure that the capacity of existing research institutions is enhanced to enable them to carry out research that can boost productivity. The Value Chains Revitalisation Programme (VCRP) will also be utilised in funding Research & Development in the respective value chains.

•Support to ICT Programmes and Innovations – Local Content Strategy should support the utilization of locally developed ICT programmes and innovations in line with the country's National ICT Policy 2022-2027.

•Technology Transfer – Government will facilitate the importation, adoption and transfer of critical machinery, skills and any relevant technologies.



Stakeholders And Their Roles

The successful implementation of the LCS depends on the legal and institutional framework that is in place to develop tools for operationalizing, enforcing, monitoring and evaluation. The framework articulates major roles of key institutions in the journey towards a transformed economy and sustainable growth and development.

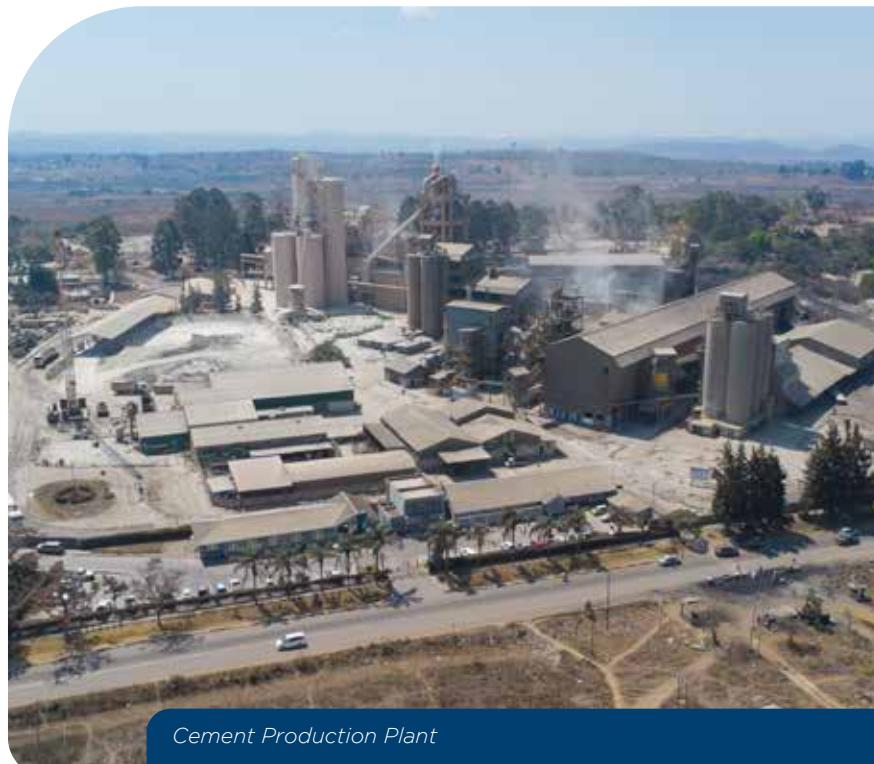
- **Role of the Academic and Research Institutions** – Academic and research institutions play a crucial role in the successful implementation of LCS by providing education, research, training, and expertise required by those in industrial production.
- **Role of the Local Content Committee** – Implement the LCS as per the Terms of Reference of the LC Committee.
- **Role of Local Content Rating Agents** – The Minister will designate Local Content Rating Agents (LCRA), whose main role is to independently verify compliance to minimum local content thresholds. LCRA will issue Certificates of Compliance (CC) to qualifying products and services eligible to benefit from local content incentives and support measures.
- **Role of the Development Partners** – This Strategy recognizes the role of development partners in enhancing resource mobilization for technical assistance to Zimbabwe's productive sector. These also collaborate with Government in designing, monitoring and implementing socio-economic programmes related to the industry.
- **Role of Financial Sector** – the financial sector will come up with funding mechanisms that will support the local businesses adhering to the LCS.

- **Role of Government** – The government will create a conducive environment for public-private partnerships.

The role of the Government will be:

- To periodically review the LCS in line with new developments.
- To create an enabling environment that is conducive for local manufacturing.
- To strengthen the legal and regulatory framework for the LCS..
- Development of appropriate fiscal measures.

- **Role of the Private Sector** – The private sector will implement the LCS to ensure competitiveness of local goods and services.



Critical Success Factors For The Strategy

The following factors are critical for the successful implementation of the strategy:

- Effective anti-smuggling and anti-counterfeit measures.
- Robust infrastructure, skills development and technology transfer.
- Stable macro-economic environment,
- Strong linkages between agriculture, mining, manufacturing, and services sectors
- Supportive business environment

Local Products & Factories



Tobacco Processing Plant



FMCG Manufacturing Plant



LP Gas Tank Manufacturing Plant



Dairy Products Production Plant



FMCG Manufacturing Plant

Local Products & Factories Cont'd



Cotton To Clothing Production Plant



Locally Produced Cement Products



Blanket Making Plant



Local Brands On Display In Local Supermarkets



Flour Milling Plant



Dairy Production



Product Testing Centre

Local Products & Factories Cont'd



Priority Sub- Sectors



Iron And Steel Production



Job Creation On The Rise



Steel Structures Emerge As Economy Grows



Tire Retreading



More Warehousing Constructed To Store Local Products As Production Peaks Up



Lithium Processing

Sub- Sectors

The following are the sub-sectors which have potential and the capacity for localization, through utilization of domestic resources as well as backward and forward linkages:

- Pharmaceuticals
- Oil Seeds;
- Grains and Cereals;
- Dairy;
- Clothing and Textiles
- Leather and Leather Products
- Fertilizer and Chemicals
- Rubber and articles thereof
- Soaps and Detergents
- Cement
- Tobacco to Cigarettes
- Packaging
- Articles of iron and steel
- Wood and Furniture
- Automotive
- Green Energy (Lithium)



Monitoring & Evaluation

The purpose of any monitoring and evaluation process shall be to track progress, instil accountability and inform key decision making. A robust mechanism of a monitoring and evaluation (M&E) mechanism shall be established to ensure the Local Content Strategy 2026-2030 meets set objectives of:

- Increasing local procurement percentages,
- Growth in local manufacturing of domestic and export commodities,
- Creating employment as well as,
- Adoption of technological innovation and knowledge transfer for the benefit of local industries.

The key performance indicators associated with these objectives shall be well defined and tracked through regular progress reviews, stakeholder feedback as well as reporting and making adjustments where necessary.

There shall be regular periodic assessments to track the extent of successful strategy implementation by the MoIC and inputs from all industry stakeholders, communities and government on the effectiveness and challenges encountered.

All key actors in the manufacturing and other sectors shall be required through the monitoring and evaluation department to provide regular reports on the progress being achieved clearly outlining the necessary adjustments done to mitigate challenges as well as capitalising on opportunities arising periodically.



Strategy Review & Revision

Zimbabwe's development plans such as the National Development Strategy 2 (NDS2) for 2026-2030, aimed at achieving an upper-middle-income status may require reviews of the local content strategy regularly for purposes of alignment with national goals.

For the purposes of assessing progress, making necessary adjustments and ensuring alignment, annual review of the LCS shall be critical. Periodic evaluations shall also be done whenever other relevant policies and statutes review impact on this local content strategy.

A Whole-of- Government Approach that involve many other government reviews is also key for effective implementation and review of strategies such as this LCS. The key consideration in these reviews is that the LCS should align for example with the NDS2's goals and the 10 national priorities for the period 2026-2035.

A dashboard tracking mechanism be used to track progress and carry out the necessary reviews and revisions of the LCS.

Conclusion

The MoIC is mandated to create value for local firms through strategies and policies such as this LCS (2026-2035), targeting optimal natural and other resources utilisation.

This LCS shall be well executed, monitored and evaluated to ensure its targets and obligations are met in order to transform local industry and commerce catalysing industry and commerce linkages, utilising all stakeholder participation forums and platforms

This 2026-2035 Local Content Strategy for Zimbabwe aims to significantly increase the utilization of local resources in industry and commerce, aligning with Vision 2030 goals of achieving upper-middle-income status.

By promoting local content in prioritized sectors, the LCS anticipates boosting local industries, reducing import dependence, and fostering economic growth.

Collaborations among Government, industry stakeholders and local communities are key success factors for this LCS. All stakeholders are encouraged to actively support and implement this strategy.

Regular reviews and evaluations will ensure the strategy remains effective and aligned with national development goals. Through this Local Content Strategy, Zimbabwe can enhance its economic resilience and move towards sustainable socio-economic development by 2030.

Way Forward

To address the 4 main objectives of this policy, the Government will continue to implement and enforce policies that prioritize local procurement across various industries. Continuous monitoring and evaluation of local content policies will be necessary to adapt to changing economic conditions and ensure the policies effectively promote sustainable economic growth and development in Zimbabwe.

This strategy aligns with the national vision of transforming Zimbabwe into an empowered upper middle-income economy or beyond. It aims to ensure that strategic plans and annual budgets are guided by these policies. Systematic prioritization over time will be crucial for efficiently utilizing state resources, allowing for effective implementation and maximization of impact.

This strategy will be implemented to achieve its intended impacts, which largely depend on the extent of resources allocated. Therefore, it is imperative to develop a comprehensive implementation plan that clearly defines the roles and responsibilities of specific Ministries, Departments, and agencies involved in the process.

Establishing time frames for each phase of implementation will ensure accountability and facilitate progress tracking. Moreover, given the ever-changing and dynamic environments in which these policies will operate, constant monitoring and evaluation are essential.



Quality Is A Game Changer