

THE COUNCIL'S PROFILE

The formation of CCZ can be traced as far back as 1955 and was spurred by economic problems resulting from increased cost of living and violation of manufacturing standards.

The formation was spearheaded by two prominent Women's organizations, which had active interest in consumer issues, and these were the National Women Organizations and the Federation of Women's Institute.

The then Salisbury Consumer Movement group was aimed at ensuring that consumers would not only get value for their money, but that primary producers and manufacturers produced items of high standard which could compete with imported processed foods and manufactured goods.

It is against this background that the CCZ was born in the structure we know today on the 5th of December 1975.

VISION

To spearhead consumer rights through consumer awareness and protection and to be the premier knowledge and information institution in the country and beyond.

MISSION

We strive to be a leading provider of comprehensive service and information on consumer rights, protection, awareness and empowerment through lobbying and advocacy and provision of focused research based services.

CORE VALUES

- *Integrity*
- *Transparency and accountability*
- *Responsibility and discipline*
 - *Innovation*
- *Assertiveness and commitment*
 - *Efficiency*

BOARD MEMBERS



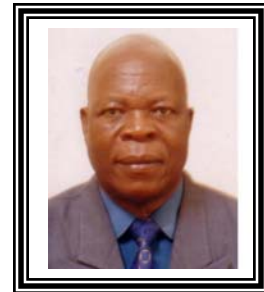
Mr P. Bvumbe
National Chairperson



Reverend Chimbuya
Masvingo Chairperson



Professor Kaseke
Vice Chairperson



Mr B. Moyo-Muvhami
Mashonaland Chairperson



Ms Makombe
Ministerial Appointee



Mr Maunga
Manicaland Chairperson



Ms Sanya
Midlands Chairperson



Mr Nyoni
Matebeleland Chairperson

SENIOR MANAGEMENT



Ms Rosemary Siyachitema
Executive Director



Ms Rosemary Chikarakara
Deputy Executive Director



Mr Henry Musongwe
Finance and Administration Manager



Mr Tonderai Mukeredzi
Public Relations Manager

CHAIRMAN'S STATEMENT



The year 2005 will undoubtedly go down the annals in history as one of the most difficult years for the Zimbabwean consumer. Runaway inflation which has gone beyond the 400% mark, the erratic supply of foreign currency which has given rise to shortage of basic commodities and the loss of value of worker's salary and wages in relation to the rising cost of living are just but a few examples of some of the economic challenges consumers grappled with during the period under review.

The economic hardships produced both challenges and opportunities thus making CCZ critical in the life of the Zimbabwean consumer. Having successfully lobbied government in the previous years to cushion consumers from unilateral price increases, price controls helped to that effect. However some manufacturers have in response to price controls been producing far below capacity citing viability problems posed by the gazetted prices with which they should sell their wares. For CCZ this meant more work and I am proud to note that our efforts were rewarded in light of these problems as the CCZ is part of the soon to be established National Incomes and Pricing Commission. The birth of such a commission will undoubtedly alleviate the consumers from the ills brought about by unilateral price hikes and shoddy goods and services.

The CCZ has a thriving complaints handling department, which has helped many consumers get redress in cases between them and service and goods providers. In the last quarter of the year, the CCZ opened up an Information and Resource Centre which is aimed at being a one-stop shop for consumer issues.

Arguably, it is in 2005 that many people have really started appreciating the work done by the CCZ, as evidenced by newspaper articles which say the organisation has developed teeth. The CCZ Family of Six Basket has become a household document, much sought after by both employers and workers' association as valuable instrument for collective bargaining and planning purposes. As the CCZ, we are proud of this product and its influence on society and would continue refining it so that it meets stakeholder expectations.

Given the problems experienced by many consumers in the year, the CCZ would like to express our solidarity with them. I would want to assure consumers that come 2006 greater mountains in terms of consumer protection would be scaled. Yes, things are hard but they will be better, we all need to be optimistic of the future and to play our part in creating a conducive environment for us to live.

If we work together, definitely 2006 will usher in great things for the consumer. I would like to take this opportunity to thank you all for the support given, especially our umbrella body Consumers International and the Zimbabwean Government for pledging moral and financial support.

EXECUTIVE DIRECTOR'S REVIEW OF THE YEAR 2005



I concur whole-heartedly with what the Chairman of the CCZ, Mr Bvumbe said in 2005 statement, that the year 2005 will go down in history as one of the most challenging, for both the consumer and the Council itself.

The rapid changes which happened on a daily basis, especially on price increases for basic commodities demanded that the Council was on its toes, reading the market and giving consumers correct and timely information. At the same time, CCZ had to play its role in lobbying policy makers to put in place that which would bring relief to consumers. Key in CCZ intervention was its participation in the Tripartite Negotiating Forum

that brings together the three partners, Government, Trade Unions and Business. The challenge there was for the partners to agree on how to tackle the out of control prices and stagnating salaries. CCZ also lobbied for the formation of the National Incomes and Pricing Commission, an independent autonomous body that will be responsible for bringing sanity to prices (through developing authentic pricing models) and incomes, making them viable for the survival of the consumers.

There were many other challenges in 2005 and these were dealt with through our various stakeholder workshops which are highlighted in this report.

Of course CCZ was cognisant of its limitations, the bigger part being limited resources both financial and human power to sufficiently penetrate the many corners of Zimbabwe and also the spiralling costs of goods and services meant that we had to limit our activities.

Inspite of all the foregoing, I feel that CCZ has been able to carve its niche in the Zimbabwean public and has become one of the leaders in consumer protection and information, a position we not only want to maintain, but to continue improving.

PUBLIC RELATIONS

Introduction

The thrust for 2005 was generally to take CCZ to the people and to create a niche for CCZ in the economic development of Zimbabwe. To fulfil that, CCZ increased stakeholder meetings for service providers to put forward their contributions whilst consumers got the opportunity to engage them in meaningful discussions. CCZ raised its profile in the media through weekly newspaper articles. It submitted pre-budgetary and post budgetary papers to the relevant government ministries. CCZ also participated in international meetings ensuring that the Zimbabwean consumer was well represented on the international forum.

The Public Relations Department participated in:

- Twelve Radio Recordings and Interviews
- Twelve Television and Interviews recordings
- Newspaper articles- the CCZ had a weekly column in the Sunday Mail, called Consumer Watch and produced forty-two articles in that column. There were also articles on consumer issues in the Kwayedza under the “Kodzero DzeVatengi” column twenty articles were featured in that column.
- The Public Relations department issued twenty-eight press statements.

Media contact

TYPE OF CONTACT	TOPICS AND DATE
<p>Newspaper Articles</p>	<ol style="list-style-type: none"> 1. How to take your case to the Small Claims Court. – 2 January 2005 2. Adopt aggressive budgeting methods – 9 January 2005. 3. Mashandiro eSmall Claims Court – 11 February 2005 4. Understanding the purpose of guarantees. – 13 February 2005 5. Kutenga nehungwaru.- 18 February 2005 Mutengi ziva kodzero yako - 18 February 2005 6. Ndeipi mitemo iripo kudzivirira mutengi? – 25 February 2005 7. How to use Hire Purchase wisely – 27 February 2005 8. Maripirwo anoitwa mutengi.- 4 March 2005 9. 5 Functions of the Rent Board-6 March 2005 10. CCZ backs efforts to tame inflation - 13 March 2005 11. Read contracts carefully before signing – 20 March 2005 12. Consumer not impressed with CCZ-27 March 2005 13. Micro credits and loans - 27 March 2005 14. Kunyunyuta kwemutengi kana awirwa nedambudziko - 3 April 2005 15. Consumers should stand up for their rights-10 April 2005 16. Tenants’ rights and responsibilities-24 April 2005 17. Role of Credit Bureaus-8 May 2005 18. Board seeks to protect depositors-15 May 2005 19. Service provision vital tool in business-22 May 2005 20. Pros and Cons of GMOs-29 May 2005 21. Producers not adhering to standards-5 June 2005 22. Food Standards Board ensures standard regulations are adhered to-12 June 2005 23. Why standards are important-26 June 2005 24. Family now needs \$4 million per month-03 May 2005 25. CCZ develops Teeth- October 2005 26. CCZ urges consumers to brace for hard times- December 2005.

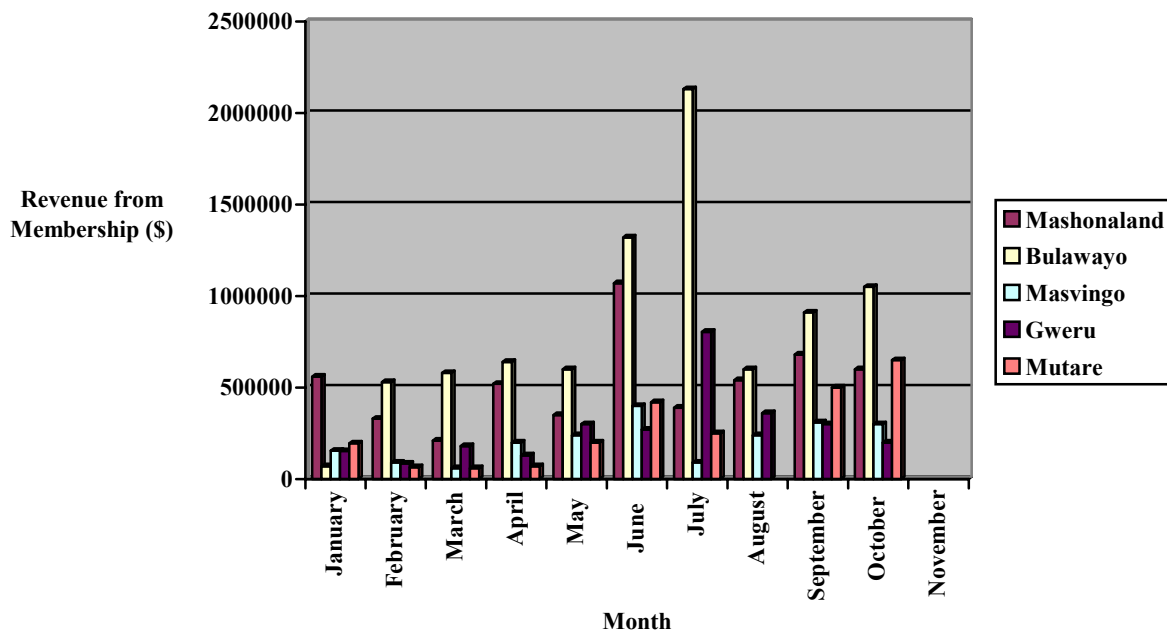
Press Statements	<ol style="list-style-type: none"> 1. Meat Prices- 13 January 2005 2. Electricity Tariff Increases by ZESA- 25 January 2005 3. Meat Prices- 13 January 2005 4. Consumer Rights day - March 2005 5. Basic goods' prices up 100% - 5 April 2005 6. Do not waste forex on locally available goods – 6 May 2005 7. CCZ Launches Customer Satisfaction Survey- September 2005 8. CCZ Launches Consumer Journalist of the Year Competition- October 2005 9. Price Controls- October 2005 10. VAT increase- October 2005 11. 2006 Budget Statement- December 2005
TV Interviews	<ol style="list-style-type: none"> 1. The causes of shortages, solutions and the CCZ complaints profile – 12 May 2005 2. Shortages of basic commodities- February 2005 3. Disclaimer Clauses- February 2005 4. Inflation vis-à-vis price increases- February 2005 5. Basic Commodities Shortages- March 2005 6. World Consumer Rights Day- March 2005 7. The causes of shortages, solutions and the CCZ complaints profile- 12 May 2005 8. Bread Standards- June 2005 9. 2005 in retrospect- December 2005
Radio Interviews	<ol style="list-style-type: none"> 1. Expenditure basket- January 2005 2. Meat Price increases-13 January 2005 3. Pricing Structures- January 2005 4. Pricing Structures- February 2005 5. Disclaimer Clauses- February 2005 6. Family Basket- March 2005 7. Basic Commodities- March 2005 8. World Consumer Rights Day- March 2005

MEMBERSHIP DRIVE

CCZ is a membership driven organization, which has seen individual membership increasing during the third and fourth quarter of the year, showing that consumers have confidence in CCZ's activities. The major constraint in membership recruitment is the lack of tangible benefits for being a CCZ member.

In 2006, CCZ is determined to increase its membership by coming up with a policy on membership, which will define who is eligible to be a member and segmentation of such membership. The new concept of training consumers to engage in growing of nutritional vegetables and herbs is likely to boost membership in the coming year.

Figure 1



2005 membership for five regions

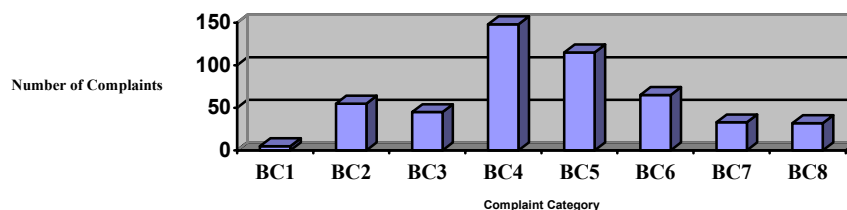
NATIONAL COMPLAINTS STATISTICS 2005

Complaints resolution is one of the CCZ broad objectives and a core competence area for the five regional complaints departments located in the 5 main provincial cities through the country. For the period under review regional complaints offices were inundated with complaints that ranged from service provision by utility providers, to repairs and contracts of sale involving shoddy goods. The use of alternative dispute resolution mechanisms has

made CCZ effective in resolving disputes that would have been congesting the formal courts. The challenge the CCZ faced was that of putting in place computerised case management systems in order to monitor complaints using statistical graphs.

More than 513 complaints were recorded in the five regions. Complaints on contracts recorded the highest percentage of 28 percent followed by shoddy goods and services that recorded 22 percent. Complaints on advertising were the least recording 0.97 percent. Under broad category 4 and 5 the highest number of transactions require parties to enter into written and verbal terms of contracts. These terms of contracts are either drafted in a legal jargon that is not understood by a layman or terms are entered into upon a customer receiving a receipt from the till. The CCZ has noted the unfairness of such terms of contracts and whenever a case arises involving such contracts. The Consumer Contract Act, 1994(chapter 8:03) is administered by informing the parties to the contract how it has been breached and the matter is resolved.

Figure 2



Key

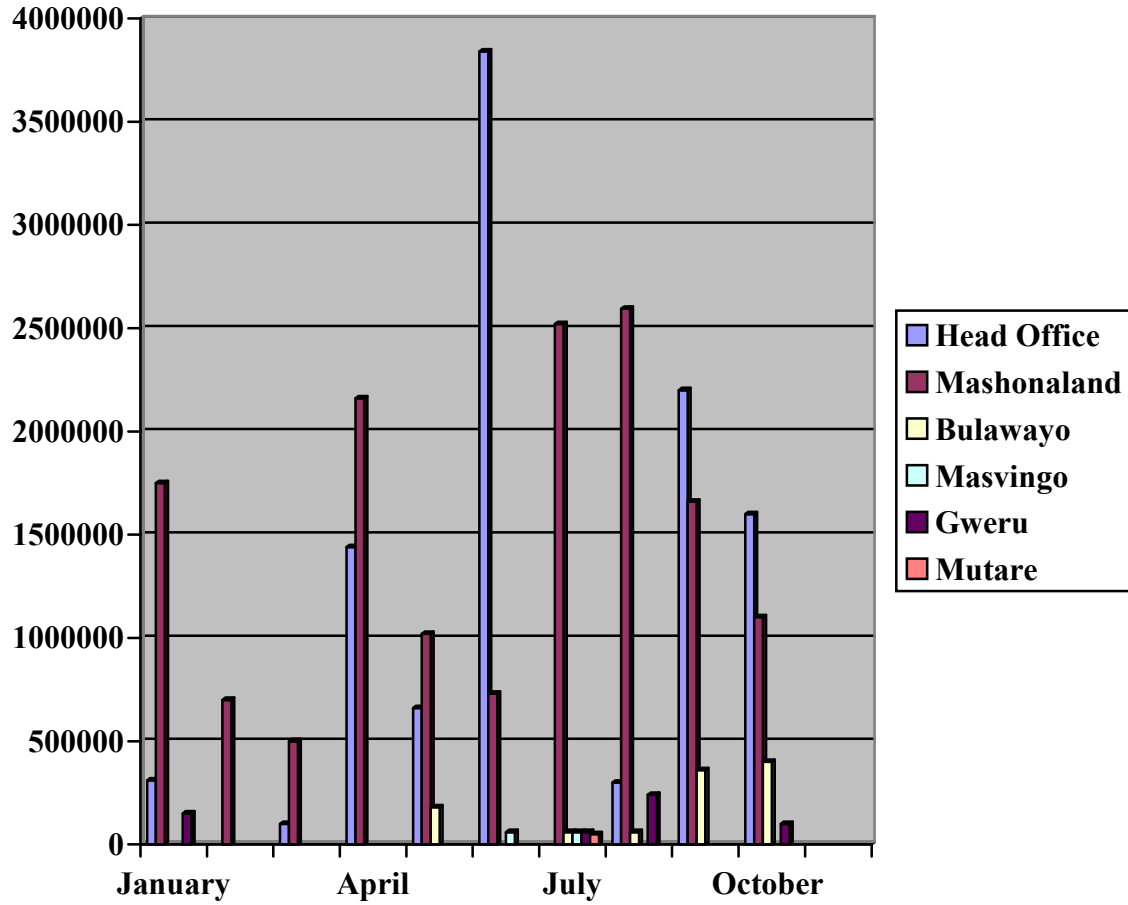
- BC – Broad Category**
- BC1 Advertising (Misleading; Poor Labelling; Open dates)
- BC2 Accommodation (Rent disputes; Building Contracts; Real Estates)
- BC3 Economic Structures (Price disparities; Conditional Selling; Pricing and Sales)
- BC4 Contracts (Unfulfilled agreements; Unfair Contracts; Hire Purchase; Breach of contracts; Loans; Debts; Lay byes; Disclaimer clause; Selling contracts)
- BC5 Shoddy Goods (Furniture; Electrical gadgets; Clothing; Utilities; Back up spares)
- BC6 Repairs (Vehicle repairs; Electrical repairs; Other repairs)
- BC7 Healthy and Safety (Food and beverages; Drugs; Hairdressing; Medical Expenses)
- BC8 Miscellaneous

FAMILY BASKET SALES

The year 2005 was the most challenging, economically, and the CCZ family basket became the most important document in every household which families used for shopping. The family basket sales fluctuated, reaching peaks mid year due to the review of salaries that

are normally done mid year by most employers and also because of the continued rise in inflation.

Figure 3 **The movement in the family basket sales**



RESEARCH ACTIVITIES

Research remains one of the core competencies of CCZ, as the organization has to investigate issues or problems affecting consumers before any media statement is made or any action is taken by the CCZ.

Surveys Conducted

- The Regional offices conducted fortnightly price surveys on selected basic commodities such as bread, sugar, milk, meat, just to mention a few, to enable monitoring of price trends. The findings were used to produce a Low Income Urban Earner Monthly Budget for a Family of Six (Mother, Father and Four Children) which consumers used for wage negotiations and budgeting.
- Price market inspections were done to ascertain the prevalence of the black market and generally the availability of basic commodities that are controlled such as sugar, flour, mealie-meal and cooking oil.
- Regular surveys were done to assess the shortages of fuel and the impact the shortages had on consumers. The surveys targeted both the formal and informal sectors and findings revealed that garages in the formal sector were not getting any fuel supplies, hence commuter operators had no choice except to buy it from the informal sector where it was readily available though highly priced. Overpricing of commuter fares impacted negatively on consumer budgets and transport to and from work was unreliable.
- School uniform surveys were done on quarterly basis making a comparison and trends on the price movement. Parents had a hard time in trying to cope with the ever increasing prices.
- Supermarket Price and Service Surveillance Surveys were done on monthly basis by regional offices, focusing on the pricing of goods and services with a view of coming up with the cheapest supermarket of the month and the supermarket offering the best service so as to encourage retail shops to improve their service delivery, while at the same time promoting consumer confidence. The winners in turn got a CCZ seal of approval.

LOBBYING AND ADVOCACY

Lobbying and Advocacy remained an integral part of the work of CCZ. CCZ lobbied policy makers and stakeholders to enact consumer protective legislation and to ensure that consumers were given a platform to ask questions pertaining to their rights. CCZ facilitated a number of workshops on different topics thus affording consumers the opportunity to dialogue with service providers.

Workshops

CCZ Family of Six Basket Workshop

Date: 18 March 2005

Venue: Mashonaland Board Room

The Workshop sought to evaluate and critique the basket whether it was still a vital instrument for use as a bargaining tool and find ways of improving it.

The workshop drew participants from the Central Statistics Office, Women's Organizations, Reserve Bank of Zimbabwe, Ministry of Industry and International Trade and Consumers International Regional Office for Africa. Most of the invited stakeholders applauded CCZ for producing this valuable economic instrument which is used by government, companies and consumers for planning incomes and salary bargaining.

The Central Bank Governor Dr Gideon Gono, speaking at the workshop, urged CCZ to educate consumers about the interpretation of inflation, indicating that reducing inflation remains a top priority under the economic turn around programme. He also urged CCZ to help monetary authorities flush out members of the business community who overcharge on prices of products and services without due regard of true fundamentals obtained on the cost side.

Electricity Pricing Methodology Consultative Meeting

Date: 2 August 2005

Venue: Mashonaland Boardroom

Following the appointment of Commissioners to the Zimbabwe Electricity Regulatory Commission (ZERC) as required by the Electricity Act Chapter 13:19 with the responsibility of regulating and licensing operators in the electricity industry, a consultative workshop was arranged by the CCZ, inviting stakeholders to participate in a discussion on the Rate of Return Methodology (ROR) that had been published on the 11th of July 2005 for public comments by various stakeholders.

The stakeholders and participants indicated that they hoped the Commission will operate as an autonomously body without interference from Government and other interested parties. Of concern, was the future cost of electricity following the unbundling (coming up with a number of companies) of ZESA, as participants felt that the ordinary consumers will not be able to afford electricity. The companies will compete independently and that may lead to price increases. For a long time it has been acknowledged that ZESA has been charging below cost and this has not been sustainable for its operations and growth.

Capacity Building on Sustainable Production and Consumption

Date: 23-24 September 2005

Venue: Fambidzanai Permaculture Centre

A new programme on sustainable production and consumption was funded by Consumers International (CI) to train consumers on how to grow nutritional vegetables and herbs.

As a pilot project for Mashonaland Region, a two day training workshop was held at Fambidzanai Permaculture Centre to train 25 members on the use of nutritional vegetables and herbs.

The trained members have been assisting CCZ to sensitise other Clubs on the new concept of nutritional gardening. Clubs such as Kumboyedza are already selling their produce to leading supermarkets thereby generating income for themselves.

Consultative Workshop on Price Controls and the role of the National Incomes and Pricing Commission

Date: 27 September 2005

Venue: Anglican Cathedral Church

Because CCZ for a long time has felt that the National Incomes and Pricing Commission was necessary in ensuring correct pricing regimes and commensurate salaries, they invited consumers to discuss and debate on pricing and incomes issues.

Representatives were from the Confederation of Zimbabwe Industries, Bakers Association of Zimbabwe, Ministry of Industry and International Trade, Ministry of Economic Development, the business sector as well as consumers, to dialogue on price controls and the role of the National Incomes and Pricing Commission.

Participants were unanimous that the National Incomes and Pricing Commission should have teeth and the ability to execute decisions timeously and independently, otherwise it might fail to achieve the objective of why it was formed. The establishment of the Commission is expected to put an end to price controls, which were introduced in 2000 to protect consumers from high prices occasioned by the volatile macro economic environment.

Capacity Building on Sustainable Production and Consumption

Date: 21 October 2005

Venue: Fambidzanai Permaculture Centre

A second one-day training workshop on the growing of nutritional vegetables and herbs was held for a total of 35 participants. Participants were drawn from various Consumer Action Clubs.

The clubs that were trained have also ventured into the growing of nutritional vegetables and herbs for medicinal purposes and also for the generation of income.

Opening of the CCZ Resource and Information Centre

Date: 28 October 2005

Venue: CCZ Pax House Offices

A resource centre designed to be a one stop shop for research and information on consumer issues was opened at CCZ Head Offices. The Information and Resource Centre currently houses more than 120 books and magazines on various consumer topics. When fully resourced, the centre will accommodate two computers, linked to consumer websites and other consumer related data.

Officiating at the opening ceremony, the Deputy Minister of Industry and International Trade, Mr Phineas Chihota, whose speech was read on his behalf by the Ministry's Chief Economist, Mr Ntambama Ncube hailed the event as the milestone achievement in the history of the CCZ, as the Resource and Information Centre will enhance consumer protection by providing the necessary information for consumers. He also pledged that his Ministry will continue financially supporting CCZ to enable it to fulfil its mandate of protecting consumers.

Consumer Journalist of the Year Award

Date: 13 December 2005

Venue: Sheraton Hotel

The Inaugural Consumer Journalist of the Year Award ceremony was held to honour outstanding media personnel for their role in covering consumer issues.

The first prize was won by Mr Robert Mukondiwa of the Sunday Mail who won \$6 000 000,00 and a floating trophy and the second prize was won by Mr Kudzai Chawafambira of the Business Herald who won \$4 000 000,00 and a floating trophy.

The Minister of Information and Publicity in the President's Office Ambassador Tichaona Jokonya, The Deputy Minister in the Ministry of Industry and International

Trade, Mr Phineas Chihota, The Director of Consumer Affairs in the Ministry of Industry and International Trade Mr Chakanetsa were some of the dignitaries present.

The event is going to be a permanent feature in the calendar of the organization's activities.

Participation in Regional and International Activities

The CCZ continued to play a key role in both regional and international consumer activities. Participation in regional and international meetings was another lobbying tool that the organisation used.

At regional level, CCZ participated in the following meetings and workshops:

- Conference on Promoting Consumer Policy in Africa, Regional dialogue between African Government Agencies and Consumer Organisation held in Gaborone Botswana. - 7-11 February 2005.
- Providing Micro finance Client Protection held in Johannesburg South Africa - 9-11 March 2005.
- Street vended foods –balancing safety and livelihoods held in Lilongwe Malawi - 14-17 June 2005.
- Infrastructure Reform and Regulation for Parliamentarians, Journalist and Consumer Associations-held in Pretoria South Africa - 20 - 24 June 2005.
- Consumers International Council and Food meeting - 10–19 October 2005.

PUBLICATION AND INFORMATION DISSEMINATION

The Consumer Council of Zimbabwe produced several publications in 2005. Two magazines were published in the second and the last quarter of the year, July and December 2005 respectively.

The first magazine (Consumer Action) in 2005 had a new look, which now has a broadsheet type of format, which is likely to stimulate reading and interest, and the last issue of Consumer Action sought to publicise the organisation's new endeavours, which are the opening of the Information and Resource Centre (IRC) and the drumming up of support for it, as well as the toll free line which consumers can use to complain or inform CCZ about happenings on the market.

Several pamphlets were published and they focused on the following areas:

- Outlining the mandate of the Consumer Council of Zimbabwe
- The rights and responsibilities of the consumer.
- Promoting sustainable production and consumption.

STAFF DEVELOPMENT IN 2005

The organization values the importance of staff as they are an important asset in carrying the mandate of the CCZ. It is important that they are constantly sent for refresher courses so as to improve their capacity to handle consumer issues in the ever-changing environment that the organisation operates.

The Personal Assistant, Executive Secretary and receptionists were trained in report writing and minute taking at the University School of Linguistics. Stallone Consultancy trained Management and the Workers Committee representatives in labour issues. More staff development programmes are planned in the coming year 2006 in Report Writing, Minute Taking and Labour Issues and these will enhance staff performance for the better operations of the Council.

FOCUS FOR 2006

CCZ made many strides in the year 2005 despite the economic challenges that the country was faced with. The CCZ looks forward to overcoming these challenges in 2006 and achieving its role of educating the whole consumer who can stand up for themselves in these harsh economic times. CCZ is determined to increase its membership by coming up with a policy on membership recruitment and retention. It will also develop its Volunteers Programme as well as embark on new programmes in sustainable production and consumption.

Furthermore, in a bid to ensure consumer protection, CCZ will work together with the Ministry of Industry and International Trade and other concerned partners to put into draft a holistic consumer protection policy which will embody all the scattered consumer laws and statutes.

“Our strength lies in numbers”.

CONTACT DETAILS

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