

Issue 1 | Quarter 4 | Nov 2025

NEC COTTON Newsletter

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THE COTTON CONNECTOR



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Chairman's Message

WEATHERING THE SEASON TOGETHER

Dear Valued Stakeholders

"As the ginning season draws to a close - a time that has tested our resilience and unity, the NEC Cotton extends heartfelt appreciation to all partners across the value chain for their commitment and hard work. Our collective progress reflects what is possible through cooperation and shared purpose.

As the industry evolves, so do opportunities to strengthen compliance, productivity, and decent work standards. The NEC Cotton remains steadfast in its mandate to foster harmonious industrial relations and sustainable growth.

Together, we cultivate not just cotton, but a fair and productive future for all.

Sincerely

Chairman, Mr Farai E. Chitsa

GENERAL SECRETARY'S MESSAGE

Dear Valued Stakeholders

It is with great pleasure that we present the inaugural edition of our quarterly newsletter aimed at keeping you informed, engaged and aligned with developments in our sector.

As we head towards the end of the year, we remain committed to promoting sound industrial relations, ensuring compliance and fostering sustainable employment. We encourage all stakeholders to stay engaged and we welcome your feedback on this and future editions

Sincerely

General Secretary - Melody N Farirai







Chairman de la chairm

Deputy Chairman Mr T. Chitemere

Meet the Executive Committee



Executive Committee Member Mr A. Muzembe



Executive Committee Member Mr. E. Makwarimba



Executive Committee Member Mr. T. Mutanha



Meet the NEC Cotton Councillors



Chairman E.F. Chitsa



Union Mr. T. Chitemere



Employers Dr J. Karambakuwa



Union Mr. E. Makwarimba



Employers Mr. T. Mutanha



Union Ms. A. Chivanga



Employers Mr. A. Muzembe



Union Mr. T. Chinyundo



Employers Ms. D. Chibi



Meet the Secretariat and Staff



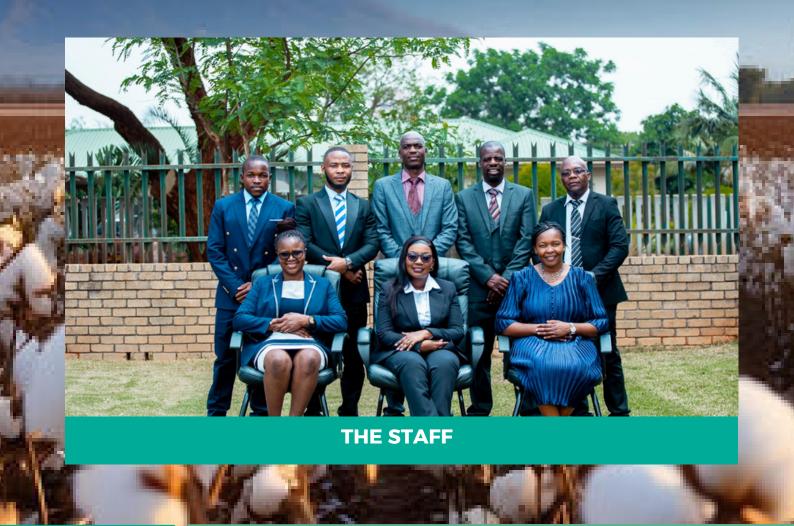
General Secretary
Melody Farirai



Designated Agent Faith Mupangani



Bookkeeper Wyne T. Hama





1. LABOUR AND LEGAL UPDATE

DECENT WORK

All players in the Cotton Industry are reminded of the need to uphold the highest employment principles that advance the Decent Work Agenda, ensuring fair and reasonable wages, promoting employment creation, enhancing employment security, and prioritizing occupational health and safety inter alia.

RECENT CHANGES IN LABOUR LAWS

All employers and employees in the Cotton Industry are reminded of the new retrenchment regulation, Statutory Instrument 191 of 2024, and the Labour Amendment No. 11 of 2023. The Labour (Retrenchment) Regulations, 2024, also known as S.I. 191, was passed in December 2024 and it introduced significant changes regarding the law on retrenchment.

OTHER KEY UPDATES

Recommended Employment Practices

All employers are reminded to ensure that contracts for all employees, including permanent employees, fixed-term contract workers, seasonal and casual workers, fully comply with the requirements include, but are not limited to, the following:

- currency proportions.

- Proper application of overtime rates where applicable.
- Restraint from unfair discrimination in all employment practices.
- Inclusion of all employees on the official payroll.
- Provision of Personal Protective Equipment (PPE) in accordance with occupational health and safety standards.

Employers are therefore urged to strictly uphold these obligations as a way of promoting decent

Additionally, procedural and substantive fairness must always be ensured in disciplinary

Need clarity? Contact our Designated Agent: info@neccotton.co.zw/0777533410





2. LABOUR RELATIONS SPOTLIGHT

PREVENTING DISPUTES

CASE STUDY INSIGHT: WAGE PAYMENT DELAYS

The two outstanding conciliation cases currently on record were registered with effect from 15 October 2025 and involve 100 employees. The cases are premised on disputes arising from delayed wage payments.

RECOMMENDATION

Employers should consistently maintain clear communication channels with the workers' committees/leadership regarding any potential payment timelines, among other issues and the efforts that the organization will be taking to resolve any challenges. Engaging with mutual respect and empathy is crucial for resolving differences peacefully and progressively.

WORKS COUNCILS

Works Councils are a key engagement forum that helps to bridge the communication gap and cultivate a common vision and understanding in the organization.

WORKS COUNCIL REFRESHER TRAININGS

Effective Works Councils are vital communication bridges. Ensure your Works Council is active, trained and meets regularly. Request NEC facilitation for Works Council training: info@neccotton.co.zw/0777533410



LABOUR RELATIONS SPOTLIGHT

PREVENTING DISPUTES

TERMINATION ON NOTICE OUTLAWED UNDER LABOUR AMENDMENT ACT NO.11 OF 2023

The Labour Amendment Act No. 11 of 2023 significantly reshaped Zimbabwean labour law by abolishing the employer's common law right to terminate a contract of employment on notice. Section 12(4a) now expressly prohibits termination on notice for all categories of employees, fixed-term or permanent. This legislative position reinforces an ongoing policy direction dating back to the 2015 amendments, aimed at strengthening employment security and aligning workplaces with the "decent work" agenda. The Act thus consolidates protections that limit the premature ending of employment relationships

MAXMIND INVESTMENTS (PVT) LTD V FUMISAI MUREHWA (LC/H/434/25)

In this case, the employee held a two-year fixed-term contract running from July 2024 to June 2026. The employer attempted to end the contract by giving three months' notice, relying on a clause that permitted either party to terminate on notice. An arbitrator found the termination unlawful and awarded reinstatement or US\$56,835.84 as damages for the unexpired term. On appeal, the employer argued that the clause represented a lawful "advance agreement" under section 12(4a)(b).

The Labour Court dismissed the appeal. It held that the amendments abolish all forms of termination on notice, whether arising from contract terms or common law. The clause relied on by the employer merely stipulated a notice period; it did not create a valid mutual termination agreement. The Court emphasized that "any other manner agreed in advance" cannot be interpreted to revive the abolished common law right. Allowing pre-drafted termination-on-notice clauses would undermine the statute and legislative intent. The award of damages was confirmed.

LEGAL PRINCIPLES RESTATED

Employment contracts may now only terminate through:

- natural expiry (effluxion of time),
- completion of a specific task,
- contemporaneous mutual agreement (documented),
- retrenchment or dismissal under due process, or
- force majeure, novation, or retirement.

Termination on notice by clause or by common law is unlawful. Mutual termination must occur at the time of separation, not through clauses pre-agreed at the start of employment

POLICY AND PRACTICAL IMPLICATIONS

Employers must revise employment contracts and remove termination-on-notice provisions, which are now invalid. Fixed-term employees enjoy heightened job security; premature termination now attracts damages equal to the unexpired portion of the contract. The ruling aligns labour practices with section 65 of the Constitution, promoting fair labour standards.

CONCLUSION

The Maxmind judgment consolidates the new legal reality: employment contracts in Zimbabwe cannot be terminated on notice. Employers must strictly rely on statutory grounds for ending employment relationships



3. COMPLIANCE SNAPSHOT COMPLIANCE CORNER

COMPLIANCE CORNER

Compliance Rate (4th Quarter 2025): 75%

COMMON AREAS OF NON COMPLIANCE AND RECOMMENDATIONS

- ·Timely payment of salaries and benefits
- ·Provision of adequate PPE
- ·Regular holding of Works Council meetings

The NEC's Designated Agent will continue conducting routine inspections throughout Q4.

SECTOR STATISTICS AT A GLANCE: (JAN-OCTOBER) 2025

- Percentage of disputes disposed by the Designated Agent: 80%
- Inspections done: 24
- Fully Compliant companies rate: 75%

TRAINING & AWARENESS

A combined Industry Workers Committee Training Workshop was successfully held on the 13th of October 2025 (virtually) under the facilitation of the Designated Agent and participants came from 4 companies as shown on the table below. An official from the Cotton Marketing workers Union of Zimbabwe also managed to attend the training workers.

DATE	COMPANY	VENUE	TOPICS
13/10/2025 09:00 - 16:00 HRS	COTTCO 6 QUTON 6 AVC 4 GRATON 1	Virtual	 Definition of Workers Committee (provisions of law) The duties, skills and attributes required of a workers committee member Challenges and ways forward for members Works Council Code of Conduct



5. SPOTLIGHT: COMPANY IN COMPLIANCE

COMPANY IN COMPLIANCE

AVC (Pvt) Ltd was commended for maintaining full compliance with NEC standards, especially concerning the health and safety matters. The company has prioritised employee welfare and proactively engaged the NEC on best practices. Quton Seed Company and Alliance Ginneries were also commended for their general compliance with NEC standard

6. LEGAL INSIGHTS

DID YOU KNOW

- Employees are entitled to *paid maternity leave of 98 days* under the Labour Act [Chapter 28:01].
- The corollary of the 'no work no pay' maxim is 'no pay no work' (Lovemore Kamuka and 22
 Others v National Railways of Zimbabwe, LC/H/352/24).
- Social dialogue or worker engagement is key to realisation of a sustainable, better workplace that leverages productivity.

7. STAKEHOLDER CORNER

7.1 STATEMENT FROM THE COTTON MARKETING WORKERS UNION OF ZIMBABWE (CMWUZ)

The Cotton Marketing Workers Union of Zimbabwe (CMWUZ) is a registered trade union affiliated with the Zimbabwe Federation of Trade Unions (ZFTU). It aims to promote, protect, and advance the interests of workers in the Cotton Industry, focusing on safety, fair wages and improved working conditions. The union collaborates with employers to ensure workplace safety and advocates for workers' rights through collective bargaining, grievance filing and legal action.

Key achievements include:

- Negotiating improved employee wages and benefits.
- Addressing unsafe working conditions and unfair labour practices.
- Initiation of the litigation process for employees' unresolved unfair labour. practices.
- Advocating for legislative reforms that work to improve employees' terms and conditions of work.
- Supporting fair remuneration and the elimination of gender-based wage gaps.

CMWUZ remains committed to improving the quality of life for its members through collaboration and continuous learning.



7.2 STATEMENT FROM THE COTTON INDUSTRY EMPLOYERS ASSOCIATION OF ZIMBABWE

The Cotton Industry Employers Association of Zimbabwe is committed to fostering high productivity within a harmonious workplace environment that upholds the highest standards of employment, health and safety. Despite the backdrop of El Niño-induced droughts and the resultant poor seed-cotton production during the 2023–2024 and 2024–2025 agricultural seasons, though with slight improvement noted, the industry remains focused on stability, resilience, and sustainable growth. In navigating these challenges, decent work remains pivotal to employers' operations, ensuring that productivity and employee wellness move in tandem. Through these efforts, the Association continues to support national development priorities and contribute meaningfully to Vision 2030, positioning the cotton industry as an important driver in Zimbabwe's path towards the upper-middle-income status

8. INNOVATION AND MODERNISATION

had been been a proposed to the burners of the

The NEC Cotton constantly reaches out to its stakeholders on Facebook, X (formerly Twitter) and its website, updating them on new developments and topical issues in employment matters generally. Stakeholders are able to conveniently interact with the NEC the benefit of the industry and their feedback is key for the improvement of our services. The NEC is committed to spreading its coverage on all digital platforms



Twitter/X: @NEC_Cotton



Facebook: NEC Cotton



LinkedIn: NEC Cotton For The Cotton Industry Zimbabwe



Instagram: NEC_Cotton



9. INAUGURAL VALUE RECOGNITION AWARDS

A HISTORIC MILESTONE FOR THE COTTON INDUSTRY

HISTORY WAS MADE! RECOGNISING EXCELLENCE, BUILDING A LEGACY

The NEC Cotton Industry proudly hosted its Inaugural Value Recognition Awards, a landmark event dedicated to honouring employers and employees who embody excellence, professionalism, and unwavering commitment within the industry.

On this memorable day, outstanding individuals were celebrated as the 2025 Workers of the Year across various organisations within the Cotton Industry, alongside employers recognised for their exceptional compliance and dedication to best labour practices. The ceremony was graced by esteemed guests: The Director of Labour Administration in the Ministry of Public Service, Labour and Social Welfare, Mr C. Z. Vusani; the Registrar of Labour, Mrs M.T. Mapfaka; and Senior Labour Officer, Ms C. Murambwi. Their presence added stature and inspiration to this historic occasion.

The event was beautifully emceed by Miss Donna Murimwa, who carried the programme with grace, energy, and professionalism. Her delivery was nothing short of phenomenal, bringing warmth and vibrancy to every moment.

As we reflect on this milestone, the NEC Cotton Industry reaffirms its commitment to nurturing a culture of excellence, strengthening employer-employee relations, and driving continuous improvement within the sector.

Below are highlights captured from this unforgettable event.





HIGHLIGHTS FROM THE AWARDS A HISTORIC MILESTONE FOR THE COTTON INDUSTRY









WINNERS CIRCLE

A HISTORIC MILESTONE FOR THE COTTON INDUSTRY

WORKER OF THE YEAR CATEGORY: 2025

The following outstanding employees were recognised for their dedication, exceptional performance, and contribution to the growth of the Cotton Industry:



JULIUS MOYO AGRI VALUE CHAIN PVT LTD



LAWARENCE MAKANANI OUTON SEED COMPANY PVT LTD



JAMES TAMSON
ALLIANCE GINNERIES PVT LTD



TINASHE NGOREZHA
SOUTHERN COTTON COMPANY



GRATON INVESTMENT PVT LTD



CHIEDZA BANGU COTTCO



ADMIRE MUCHEMWA ZIMBABWE COTTON CONSORTIUM



WINNERS CIRCLE

A HISTORIC MILESTONE FOR THE COTTON INDUSTRY

MOST COMPLIANT EMPLOYER AWARDS

In acknowledgment of exemplary adherence to fair labour standards, regulatory compliance, and industry best practices, the following organisations were honoured:



PLATINUM AWARD <u>AGRI VALUE CHAI</u>N PVT LTD



GOLD AWARD
QUTON SEED COMPANY PVT LTD



SILVER AWARD
ALLIANCE GINNERS PVT LTD



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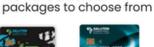
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DEREFLEXION CONSULTING

Fostering Fair Labour Practices & Sustainable Growth in Zimbabwe's Cotton Sector. ESG & Financial Reporting Implications



Dereflexion Consulting Managing Director

Tatenda C Muronda-Mangoma Article by Tatenda C Muronda-Mangoma, MD, Dereflexion Consulting (Private) Limited, a Zimbabwean firm specializing in the implementation and formulation of internal controls, reporting, and auditing services.

Zimbabwe's cotton sector, crucial to the agricultural economy, faces revitalization challenges that necessitate the integration of Environmental, Social, and Governance (ESG) frameworks with financial reporting. This article highlights the relationship between promoting fair labour practices and sustainable growth, aligned with the United Nations Sustainable Development Goals (SDGs), such as decent work, responsible production, and climate action. Fair labour practices are vital to improving the industry's reputation and attracting investment. Key initiatives include eliminating child labour, ensuring wage fairness, and maintaining safe working conditions. Simultaneously, sustainable growth requires effective water management, reduced pesticide use, and soil health preservation

ESG reporting fosters transparency and accountability, enabling companies to disclose their social and environmental impacts. This systematic reporting is essential for accessing new markets and complying with regulatory standards. Incorporating ESG factors into financial reporting enhances disclosure, aligns with international standards, and promotes stakeholder engagement.

Ultimately, embedding ESG principles within Zimbabwe's cotton sector is crucial for securing a sustainable future, enhancing global competitiveness, and ensuring equitable outcomes for all stakeholder



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- mm MBUDZI (TRABABLAS) 4-ACRE COMMERCIAL STAND
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Fostering Fair Labour Practices & Sustainable Growth in Zimbabwe's Cotton Sector











Strengthening the Cotton Industry in Zimbabwe

s the cotton sector continues to evolve, many producers and exporters face complex financial and regulatory landscapes. Understanding these challenges is essential for growth and sustainability.

At Kreston Zimbabwe, we recognize the unique needs of the agriculture industry, particularly in cotton production. Our experience in financial consulting has equipped us to help businesses navigate:



Financial Health

Identifying opportunities for improved financial performance.

Regulatory Compliance

Keeping abreast of industry regulations to ensure smooth operations.

Risk ManagementDeveloping strategies to anticipate and mitigate

potential threats.

By focusing on tailored solutions and expert insights, we aim to support the cotton community in achieving its goals. Empowering growers, ginners, and exporters is at the heart of our mission.

If you're interested in exploring how collaborative strategies can enhance your business, we are here to connect.



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