



IN TRANSFORMATION
INITIATIVE

MONTHLY UPDATE

ZIMBABWE



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MAIN STORIES

**Mnangagwa's
Many Troubles**

**Controversy over
New ZEC
Commissioners**

**Mid-Year Budget
Review**

HIGHLIGHTS

- Jim Kunaka, a former Zanu-PF youth leader who led a notorious terror group called Chipangano and was later ditched by his party, announced the launch of a new
- political outfit, the Zanu-PF Original. Zanu-PF Original has called on self-exiled former Cabinet minister Saviour Kasukuwere to come back home and lead the party's campaign ahead of next year's poll.
- Vice President Constantino Chiwenga's backers have reportedly drawn up two scenarios: to force President Emmerson Mnangagwa to relent power ahead of or during the party congress in October, or if that strategy fails, to remove him by force.
- Susan Mutami, a health services professional, filed a police report at the Mount Ommaney police station in Queensland, Australia, accusing Mnangagwa of raping her
- when she was 15. Australian police said they would work with international bodies to investigate the rape allegations.
- The daughter of former vice president Kembo Mohadi, Abigail Millicent Mohadi Ambrose was sworn in as a Zimbabwe Electoral Commission (ZEC) commissioner.
- Kudzai Shava, son of current foreign affairs minister, Frederick Shava, was also sworn in as a commissioner.
- Zanu-PF has established a fourth wing, the War Veterans League. The inaugural conference is set for 25 to 27 August when leaders of the new wing will be elected.
- Citizens Coalition for Change (CCC) leader, Nelson Chamisa, named a shadow cabinet. Chamisa named one of his deputies, Tendai Biti, as shadow finance minister.
- The CCC retained the Kariba Ward 5 seat in Mashonaland West province and won the Chipinge ward 16 in Manicaland Province in by-elections

ZIMBABWE



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- The Zimbabwe Peace Project (ZPP) said in its June Monthly Monitoring Report, published on 10 July, that Zanu-PF contributed to over 43 percent of all violations while the Zimbabwe Republic Police followed behind at 24.4 percent.
- Growing discontent over measly salaries paid to government workers has forced police officers to threaten a protest vote for the opposition in next year's polls.
- A clique of senior police officers allegedly helped themselves to cars that were impounded, with most of the vehicles ending up at an auction business owned by Vice President Chiwenga's former father-in-law.
- Finance Minister Mthuli Ncube, in his mid-term budget review, lowered this year's economic growth forecast to 4.6% from 5.5% initially projected. Ncube announced a supplementary budget, proposing additional spending of \$929 billion.
- Ncube lowered the Value Added Tax threshold from US\$60,000 to US\$40,000, while raising presumptive tax from 10 to 30% for cross-border traders without a tax clearance certificate.
- The Monetary Policy Committee (MPC) of the Reserve Bank of Zimbabwe (RBZ) on 29 July 2022 decided to maintain the interest rate at 200%.
- The inflation rate increased to 256.90% in July, from 191.60% in June 2022. It is the highest reading in a year.
- Mnangagwa broke ground to launch the US\$500 million Zim Cyber City, a hi-tech park in Mount Hampden, near Harare. It is being developed by UAE-based diversified industrial conglomerate Mulk International. Zim Cyber City will facilitate "special window clearance of blockchain and digital assets licenses and bank accounts."



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- Zimbabwe's population grew by 16.2% from 13 million to 15 million over the last decade, according to the Zimbabwe National Statistics Agency (Zimstat).
- The African Development Bank (AfDB) agreed to help Zimbabwe clear its \$13.5 billion debt during a visit by the lender's president, Akinwumi Adesina.
- Zimbabwe plans to increase royalty rates on platinum producers and introduce one for lithium miners from 1 January 2023. The rate for platinum miners will double to 5% and a new rate of the same amount will apply to lithium producers.
- Zimbabwe's central bank sold 1 500 new gold coins (Mosi Oa Tunya) in the last week of July and plans to bring another 2 000 to the market in the first week of August 2022. As much as 85% of the sold gold coins were purchased in local currency.
- Finance minister Ncube accused government contractors of channelling funds to the foreign exchange black market and contributing to the spiralling exchange rate and price instability. Ncube threatened to take stern measures against all government contractors who are "manipulating the exchange rate" by freezing bank accounts, blacklisting companies and directors, seizing funds and banning them from participating in government tenders.
- British energy users are seeking off-take agreements to purchase coal from mining company Contango, which has a 70% interest in the Lubu coal project in north-western Zimbabwe.
- Mnangagwa has scheduled visits to Mozambique and Zambia in August in a bid to firm up power supply deals that are being eyed by Eskom.
- The RBZ approved a regulation that will allow the country's power utility, the Zimbabwe Power Company, to bill the exporters of goods and services in dollars, euros and other foreign currencies.



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- Zesa Holdings advised mining firms to brace for a higher tariff starting on 1 August.
- Mnangagwa has again claimed foreign embassies stationed in Harare are working with the opposition to destabilise the country. Mnangagwa said that government is prepared to invoke penal provisions of the Vienna Convention to “decisively tackle gross interference by rogue foreign missions in domestic matters.”
- A member of the Political Bureau of the Communist Party of China (CPC) Central Committee and director of the Office of the Foreign Affairs Commission of the CPC Central Committee, Yang Jiechi, met Mnangagwa and both leaders spoke of co operation in expanding their partnership.
- The Zimbabwe Immigration Federation, representing about 1 000 Zimbabweans working legally in South Africa, launched a challenge in the Pretoria High Court against Home Affairs Minister Aaron Motsoaledi over the decision to suspend the Zimbabwe Exemption Permit (ZEP) system.

