

# MONTHLY UPDATE

IN TRANSFORMATION  
INITIATIVE

SEPTEMBER 2022

• No 9/2022

# ZIMBABWE



## MAIN STORIES

**Mnangagwa's Heroes  
Day Commemoration  
Speech**

**Mnangagwa's Former  
Ally Charged with  
Corruption**

**Gold Smuggling**

**South Africa/Zimbabwe  
Relations in the Spotlight  
Again**

## HIGHLIGHTS

- President Emmerson Mnangagwa said during his 42nd Heroes Day Commemorations speech that divisive elements which act contrary to the values and ethos of the liberation struggle and national interest have no place in society.
- Zanu-PF declared that war veterans are part of Zimbabwe's State apparatus, with its main task indoctrinating the masses.
- Zanu-PF legislator, Justice Mayor Wadyajena, a former ally of Mnangagwa, was arrested on charges of fraud and money-laundering involving US\$5.8 million. He was granted bail and will be allowed to leave the country for government business.
- Smuggling and illicit flows in the artisanal mining sector in Zimbabwe are reportedly responsible for an estimated 3 tonnes of gold each month, valued at approximately \$157 million. Businesspeople, state security personnel, top government officials and youths are involved in the illicit activities.
- Vice President Constantino Chiwenga flew to Togo on a private jet linked to Libyan strongman Khalifa Haftar, a renegade military commander who now controls parts of the north African country. The Gulfstream regularly flies to Zimbabwe and then to Dubai. Critics claim that these flights are a conduit for delivering scarce United States dollars to the regime, and then smuggling gold out.
- The Zimbabwe Peace Project (ZPP) said in its July Monthly Monitoring Report, published on 11 August that Zanu-PF has continued to dominate the list of human rights violators, at 50%, followed by the Zimbabwe Republic Police (ZRP), which contributed to 24 %, or 354, of all the violations ZPP recorded.

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- Opposition Citizens Coalition for Change (CCC) leader Nelson Chamisa's convoy was reportedly attacked by Zanu-PF supporters in Mashonaland East province on 23 and 25 August and several of his supporter were injured.
- CCC spokesperson, Fadzayi Mahere said four journalists were on 25 August "heavily beaten by Zanu-PF thugs" in Gokwe ahead of a rally to be addressed by Chamisa.
- The Monetary Policy Committee (MPC) of the Reserve Bank of Zimbabwe (RBZ) decided at its meeting on 26 August to maintaining the Bank policy rate at 200% per annum.
- Zimbabwe's annual consumer price inflation climbed to 285% in August 2022, from 256.9% in the prior month.
- The RBZ said in its Monetary Policy Statement (MPS) of 11 August that growth prospects for 2022 remained robust at 4.6% compared to the initial projection of 5.5%.
- The MPS states that the current account balance is estimated to have widened to a surplus of US\$387.1 million in the first half of 2022, compared to a deficit of US\$97.2 million for the same period in 2021.
- Zimbabwe suspended payments to government contractors as part of efforts to halt a slump in its currency that is fuelling hyperinflation.
- Zimbabwe extended an incentive for the country's biggest gold miners to produce above state-set output targets. Large producers that exceed their goals will receive 80% of the payment for the additional output in foreign currency.
- Gold deliveries to Fidelity Gold Refinery (FGR) for the period 1 January 2022 to 30 June 2022 were 15,972.52 kgs, compared to 9,954.67 kgs delivered during the same period in 2021.



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- A total of 6 799 gold coins had been sold by 26 August, with 75% being bought by corporates and only 25% by individuals, the RBZ said. While the introduction of the gold coins on 25 July saw the black-market currency rates fall, they seem to be recovering and now range between \$800 and \$850 to the US dollar.
- Zimbabwe is considering establishing a currency board, the latest in a series of measures to support the Zimbabwean dollar.
- Money transfer companies such as Western Union and Mukuru.com, which previously were exempt from the Zimbabwean 2% mobile money and electronic transaction tax, are now also covered by the regulations.
- Zimbabwe in August raised the royalty rate for platinum miners from 2.5% to 5%. Mineral royalties must now be paid in both local and foreign currency in the ratio of 50:50. The government also proposed the imposition of a beneficiation levy for shipments of platinum that are not fully beneficiated.
- Zimbabwe has sealed a new power import deal with Zambia while it has retained others with Mozambique and South Africa.
- A political storm erupted in South Africa after a video went viral showing the Member of the Executive Council (MEC) for Health for Limpopo Province, Phophi Ramathuba, berating a Zimbabwean woman who was seeking medical care, accusing Zimbabweans of abusing South Africa's health system. President Cyril Ramaphosa, played down the issue, adding that Ramathuba raised an important issue of how service delivery is affected by migration. The Zimbabwean Embassy in Pretoria conveyed the concerns of the government of Zimbabwe on the comments made by Ramathuba to the South African government.



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- International Relations Minister Naledi Pandor and the Minister of Foreign Affairs and International Trade of Zimbabwe, Frederick Shava, discussed illegal migration during the mid-term review of the Bi-National Commission (BNC). Pandor thanked the Zimbabwean government for supporting South Africa's battle to curb illegal border crossings.
- The South Africa Revenue Service (SARS) won a preservation order against Zimbabwe's Gold Leaf Tobacco and its directors Simon Rudland and Ebrahim Adamjee.
- The European Union (EU) urged Mnangagwa to allow the opposition to campaign freely following increasing violent attacks on CCC members by Zanu-PF supporters.
- Zimbabwe is one of three African countries that will not be represented by a head of state at the US-Africa Summit to be held in December.
- Zimbabwean authorities must lift the ban on the documentary film "President" by a Danish journalist and not abuse censorship laws for political ends ahead of next year's general election, the Committee to Protect Journalists (CPJ) said. The film, which follows Chamisa on the 2018 presidential election campaign trail, was banned by Zimbabwe's Censorship and Entertainment Control Unit.
- Zimbabwe and Iran agreed on collaboration in various sectors under the ambit of the Joint Permanent Commission, including the banking sector.



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