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USAID STRATEGIC ECONOMIC RESEARCH AND ANALYSIS – ZIMBABWE (SERA) PROGRAM

BUILDING TRUST AND TRANSPARENCY IN THE ZIMBABWE MINING SECTOR

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Executive Summary

Zimbabwe has a diverse array of mineral resources, which recently have begun to be developed on a scale that makes the mining sector a leading contributor to GDP. A recent World Bank study predicts that by 2018, mineral production could reach almost \$5 billion, and contribute \$700 million to national revenues. Fueled in large part by a meteoric rise in diamond production, the increased mining sector activity has created rising expectations among government, mining operators, civil society and the general population about what mining revenues can do to alleviate the country's current economic woes, and how they can contribute to the country's development

Despite the growing importance of the sector to the national economy, very little information is shared among stakeholders about how contracts are awarded, what are the benefits and costs of mining activities, and how revenues are accounted for and used to serve the national interest.

The Zimbabwe Mining Revenue Transparency Initiative (ZMRTI) was initiated under the previous Government of National Unity (GNU), and steps were taken to try to move the country towards adoption of the Extractive Industry Transparency Initiative (EITI). However, with the change of government in 2013 this initiative stalled. There is nonetheless a heightened interest in and awareness of the need for transparency in the mining sector. The President and key ministers including the Ministers of Mining and Finance have spoken of the need for more transparency in the sector. This suggests there may be opportunities to increase transparency in the sector through some form of dialogue and knowledge-sharing. This current study moves beyond gauging the interest in reviving ZMRTI, to include a broader assessment and stakeholder consultation on what kind of mining sector transparency initiatives could gain traction in the current political climate and under the current single party government.

Critical Issues

The Case for Transparency: The growth of large-scale industrial mining in developing countries has often shown disappointing results in terms of revenue and economic development. If mining companies and governments are transparent about their dealings with each other, including demonstrating transparency and accountability with regards to the flow of income derived from mining, the general public will be more supportive of mining activities and have more confidence that government is adequately managing the sector for the benefit of the entire country. Also, an increased flow and sharing of information about mining sector opportunities and risks can make it easier for decision-makers to consider which mining sector investments may bring the greatest benefit to the country.

Perception and Reality of Mining Sector Revenue Transparency: Different players in the Zimbabwean mining sector have different interests and approaches regarding transparency. Large-scale publicly-traded mining companies tend to be more open about publishing information on operations and revenues, while smaller companies, the informal sector and the diamond industry in Zimbabwe are more opaque. Government does not always make public its information on the mining sector, and civil society and communities feel they are kept in the dark by both industry and government as to mining sector development plans, revenues, etc. The information asymmetry and lack of a common shared knowledge base among these various stakeholder groups inevitably breeds suspicion and mistrust, especially given the country's current economic situation.

Need for a common knowledge base to build trust: Key stakeholders that need to be engaged in knowledge-sharing and dialogue about mining sector development include mining companies, government, civil society, communities affected by mining activities, and development partners.

Key Findings

The most important findings from this study are the following:

Buy-in will be needed from key stakeholders for any transparency initiative to succeed, starting with the Ministry of Mines and Mining Development. Other key government players, including the Ministry of Finance and Economic Development, ZIMRA, and the Reserve Bank, as well as industry and civil society, also are needed to make a transparency initiative work. In particular, the support of top Mines Ministry officials (including the Minister, Deputy Minister, Permanent Secretary, and other top managers) is critical to the success of any future mining transparency initiative. This was a key missing ingredient in ZMRTI.

There is a need to build both a common knowledge base about the sector and atmosphere of trust among stakeholders to enable a productive discussion about transparency issues. Setting these two baselines is more important initially than trying to tackle a particular transparency-related issue, even one as critical as revenue transparency.

Additional findings from the stakeholder interactions in this study include:

- ZMRTI appears dead as an initiative, it was and still is too closely associated with the opposition MDC party.
- The Finance Minister and other Ministry officials have been public in their interest to push revenue transparency and possibly even moves toward EITI, but they recognize there is resistance to EITI from Minister of Mines and others in government.
- The Minister of Mines has stated publicly he is opposed to EITI. He wants to see “home-grown” Zimbabwe transparency initiatives and not have outside initiatives imposed on Zimbabwe that were developed without Zimbabwean input and participation.
- All stakeholders interviewed appear to support transparency, but they define it differently, have different reasons for wanting it, and tend to point to others’ transparency shortcomings, not their own. This includes the Ministries responsible for Mining and Finance, as well as industry players and civil society
- The real urgency driving the government interest in transparency is the need to find more revenues to pay government bills. Companies want government revenue transparency so they stop being seen as the villains. Civil society wants accountability for use of nonrenewable resources and revenues derived from them.
- Broad support for transparency and accountability exists among stakeholders, but for some it is not just about revenue transparency, but also about transparency in awarding of contracts and concessions, benefit sharing, community development decisions, etc.

- There is a significant lack of understanding among parties about how mining sector works: including operational technical aspects, as well as mining finances.
- The diamond business is the least transparent part of the sector but also the most politically charged. Most people want to stay away from scrutinizing it for now.
- The issue of transparency is often conflated with a general discussion of whether the country is adequately benefiting from mining. These two important issues need to be untangled and discussed separately.
- Any new transparency initiatives should be aligned with a number of other key strategic policy initiatives that speak to transparency, including Zimbabwe's new Constitution, the Zimbabwe Agenda for Sustainable Social and Economic Transformation (ZIMASSET), as well as the forthcoming Corporate Governance Code of Conduct.

Recommendations

The following recommendations are designed to move Zimbabwe towards increased transparency in the mining sector, recognizing that the process will be incremental and will need to obtain buy-in from multiple stakeholder constituencies when it comes to implementing any transparency initiative.

There needs to be a platform for dialogue created to build trust among the various players, starting from a common knowledge about how the industry works, including sources and uses of mining revenues. A number of stakeholders that any forum created must avoid tackling specific issues or problems, especially contentious ones, at first, and that it serves instead as a vehicle for knowledge exchange and trust-building among key mining sector stakeholders.

Convene a small (initially) Multi-stakeholder Working Group: This platform could start as a small working group convened to talk about mining operational and financial mining facts, with the primary initial goals of sharing and growing a common information base about the industry among key players as a stepping stone to trust. The platform could be initiated and convened by a research organization such as the Institute of Mining Research, which is well-respected and seen as an apolitical stakeholder in mining sector discussions. The initial goals of the working group should be to gather and share information on how the mining sector functions, through meetings convened to discuss specific topics, with experts presenting information for review and discussion by the group.

The working group should be kept small at first, focusing on a few key government ministries, with industry participation coordinated through the Chamber of Mines, to avoid it becoming too cumbersome. Other mining sector stakeholders could be invited to join the discussion forum later.

Initial knowledge-sharing and discussion topics could include:

- The mining life cycle, from exploration through development and construction, to operations, closure and post-closure.

- Financial flows within the mining sector, including how a mining company finances its activities, cost and revenues associated with operations, and financial reporting requirements within the company (e.g. to management and shareholders) and to and among government agencies.
- Environmental and social issues and opportunities, and related roles and responsibilities of mining companies, government and civil society.
- “Process” issues and techniques related to how potentially contentious issues can be discussed in inclusive, participatory, and non-confrontational ways.

These working group discussions could progress from the very general case initially to ones that focus on an specific aspect of the industry (e.g. technical aspects related to the mining of a specific mineral, beneficiation, transfer pricing, environmental or social issues arising from a particular type of mining (large-scale vs. artisanal mining), etc.).

Other topics that could be raised as the working group evolves, including sharing and interpretation of information, understanding transfer pricing, and case studies from other countries of transparency and accountability success stories

Development of Literacy Guides and other non-technical information

Alongside these knowledge exchange and capacity-building forums, the working group can oversee or support development of simple primers or literacy guides on three general topics: mining operations, mining finances, environmental and social responsibility. These would be fact-based, mostly non-technical information (with technical annexes for additional references). The goal is to provide factual information for technical and non-technical audiences alike, including government officials and the general public, on how the industry works. These overview documents could be later supplemented by other primers on other mining topics.

Working Group-led Workshops

Once a common knowledge base is established among the working group members, these discussions could be expanded in the form of forums or workshops to be developed and facilitated by the working group, and open to larger audiences within the sector. The literacy guides and other informational materials developed within or for the working group meetings could then become the basis for broader dissemination and discussion of issues.

In order for the above approach to work, it is recommended that the initial discussions should be focused on facts and evidence-based discussions about basic operational details of the sector, soliciting views from industry and government to reach consensus on the basic operational aspects and drivers of the sector and industry and government’s role in it.

It is recommended that initial working group forums stay away from the most contentious aspects of the mining sector transparency, focusing on factual information and the parts of the industry that are already relatively transparent and open to dialogue, such as the practices of large world class mining operators active in Zimbabwe.

Note that this initiative is focused on information and knowledge-sharing, and not on formulating policy or strategy. Ideally the group would create a common knowledge base and safe space to facilitate discussion of possible future policy reforms that can be addressed in other fora.

An information dissemination strategy that includes the literacy materials, workshops and possibly other communications tools should be developed to encourage the broadest possible dissemination of basic information on the mining sector.

Longer-Term Objectives

Ultimately the longer-term goal of the above activities is to build trust among key stakeholders within the working group and larger forums to enable frank but non-confrontational discussion of critical mining sector transparency and accountability issues within a broad multi-stakeholder framework. Whether this framework ends up being entirely Zimbabwean in format and focus, or if it leads eventually to consideration of membership in EITI is less important than the need to begin the process of fostering constructive dialogue on improving mining sector transparency.

Introduction

Zimbabwe has a diverse array of mineral resources, which recently have begun to be developed on a scale that makes the mining sector a leading contributor to GDP. A recent World Bank study predicts that by 2018, mineral production could reach almost \$5 billion, and contribute \$700 million to national revenues.

Fueled in large part by a meteoric rise in diamond production, the increased mining sector activity has created rising expectations among government, mining operators, civil society and the general population about what mining revenues can do to alleviate the country's current economic woes, and how they can contribute to the country's development

Despite the growing importance of the sector to the national economy, very little information is shared among stakeholders about how contracts are awarded, what are the benefits and costs of mining activities, and how revenues are accounted for and used to serve the national interest.

As large-scale industrial mining has taken off in many developing countries, there has been a growing interest in seeing both industry and government transparency and accountability in the sector, including in Zimbabwe.

The Zimbabwe Mining Revenue Transparency Initiative (ZMRTI) was initiated under the previous Government of National Unity (GNU), and steps were taken to try to move the country towards adoption of the Extractive Industry Transparency Initiative (EITI). The ZMRT Initiative and investigative work of civil society and the Parliamentary Committee that were active under the previous government served as a catalyst for discussion of revenue transparency.

However, with the change of government in 2013 these initiatives stalled. There is nonetheless a heightened interest in and awareness of the need for transparency in the mining sector. More recently, the President and key ministers including the Ministers of Mining and Finance have spoken of the need for more transparency in the sector. This suggests there may be opportunities to increase transparency in the sector through some form of dialogue and knowledge-sharing. This study was undertaken to gauge the interest in possibly reviving ZMRTI and more generally to explore opportunities to promote broader transparency in the mining sector.

Scope of Assignment

The purpose of the assignment as originally defined in the Scope of Work was to conduct research and meet with stakeholders to gather information and analysis on the following topics:

- An update on the status of ZMRTI, noting key stumbling blocks, actors and next steps needed to revive the initiative
- An update on the status of the ZMRT Oversight Group (ZOG), identifying challenges faced by the group in the past, specific steps needed to reconstitute the group, and any assistance likely to be needed to ensure a viable and effective committee
- An update on the status of the mining act revisions, as they relate to mineral transparency

- Summary of general challenges that the current environment in Zimbabwe poses to effective mineral revenue transparency

Once the field mission began, and as discussed and agreed with the SERA COP, updating the status of ZMRTI and identifying key stumbling blocks made it clear that reviving ZMRTI under the current ZANU-PF-led government is extremely unlikely, for reasons described in this report. However, the team reviewed the progress made and challenges faced by ZMRTI while it was in existence, and drew lessons to be learned for future transparency initiatives. This examination was done in the context of a broader assessment and stakeholder consultation on what kind of mining sector transparency initiatives could gain traction in the current political climate and under the current single party government.

Methodology

Richard Everett, an IBI International consultant, traveled to Zimbabwe from June 21 to July 5, 2014 as part of the Revenue Transparency in the Mining Sector project under the SERA contract. Mr. Everett worked closely with two Zimbabwean consultants, Lyman Mlambo, Chairman of the Institute of Mining Research at the University of Zimbabwe, and Gilbert Makore, projects coordinator and researcher from the Zimbabwe Environmental Law Association (ZELA) to conduct interviews with key government, private sector and civil society stakeholders to assess how best to advance revenue transparency in the mining sector.

Document Review: The team reviewed materials relating to the ZMRTI, as well as other documents pertaining to the Zimbabwean mining sector obtained from government and nongovernmental sources.

Key informant and stakeholder and consultations. During Mr. Everett's two week visit to Harare, the three consultants held 26 meetings with 35 stakeholders (see attached stakeholder list in Annex 1) to solicit their views on mining sector transparency and accountability. These included key informants and stakeholders from the following organizations:

- Government Ministries and Agencies: Ministry of Mines and Mining Development (MMMD), Ministry of Finance and Economic Development (MOFED), Reserve Bank of Zimbabwe (RBZ), Zimbabwe Revenue Authority (ZIMRA), Fidelity Printers and Refiners, Scientific and Industrial Research Centre, Zimbabwe Investment Authority, and a Member of Parliament
- Mining industry and other private sector representatives: Zimbabwe Chamber of Mines, Zimplats Platinum Mines, Mimosa Mining, Zimbabwe Artisanal & Small Scale for Sustainable Mining Council, security contractor Securico, and Deloitte & Touche
- Civil society groups: ZELA, Transparency International, Chiadzwa Community Development Trust, and the Centre for Natural Resource Governance
- Development partners: USAID, DFID, World Bank, US Embassy, Embassy of Norway

Mining in Zimbabwe

Mining has been a significant economic activity in Zimbabwe since the late 1800s when white settlers began mining for gold and later asbestos. With the advent of modern mining techniques and large scale

operations, mining has become a major source of revenue for the country. Combined with precipitous falls in agricultural production, mining is increasingly being seen as a primary driver of the economy going forward. Zimbabwe's mineral resources include gold, platinum group metals (PGMs, including platinum, palladium and rhodium), coal, asbestos, nickel, copper, ferrochrome, iron, and diamonds. Mineral output has been increasing since 2009, especially diamonds. There are currently over 5000 mines in Zimbabwe, most of which are small scale gold operations (Zimbabwe Chamber of Mines, 2013, cited in Kadenge). Mining revenues are important for the Zimbabwean government, both in terms of its contribution to GDP and employment. The average annual share of GDP of mining reached 8.5% in 2009 to 2011, surpassing agriculture. Mining has also surpassed agriculture as an export revenue earner, accounting for 47% of Zimbabwean exports, including platinum, gold and diamonds by the end of 2011 (Kadenge), and becoming one of the largest sectors for employment creation.

The growing importance of the sector to the economy has led to increasing interest by all parties in seeing it become more transparent and accountable to national interests. The government is determined to capture the maximum tax and royalty revenues from mineral production, while the general public is hoping that growing mining income will be used to promote development.

The Case for Transparency

The growth of large-scale industrial mining in developing countries has often shown disappointing results in terms of revenue and economic development. Many countries have fallen into the "Dutch Disease" trap, where investments in the mining sector fail to catalyze other economic development, and may even lead to a diminution of agriculture or other economic activities that are abandoned in the rush to direct scarce financial or human resources towards the mining sector.

Promoting transparency in the mineral sector is one way to avoid falling prey to Dutch disease. If mining companies and governments are transparent about their dealings with each other, including demonstrating transparency and accountability with regards to the flow of income derived from mining, the general public will be more supportive of mining activities and have more confidence that government is adequately managing the sector for the benefit of the entire country. Also, an increased flow and sharing of information about mining sector opportunities and risks can make it easier for decision-makers to consider which mining sector investments may bring the greatest benefit to the country.

Although there is growing sentiment in mining countries that transparency is important, mining sector stakeholders have different views of what transparency is and who should adhere to it. Likewise the benefits they are likely to enjoy from transparency vary by stakeholder.

Mining companies, especially those that are publicly traded and thus are closely scrutinized by their shareholders have an interest in promoting transparency, especially revenue transparency. They are fighting the perception that they are removing a valuable national natural resource from the ground in undeveloped countries solely for the benefit of overseas investors and stockholders. They also are under pressure to develop their concessions and provide tax and royalty income to governments, even as the general population seeks mining sector jobs or other spinoff benefits from mining sector revenues and activities. Mining companies have an interest in demonstrating their contribution to the national economy, whether it is in terms of taxes and royalties, wages, or infrastructure investments.

Reputable mining companies usually do not hesitate to publish their financial results and report on payments made to the government, especially if they are public companies with reporting requirements in their home countries. In addition to reporting on revenue, mining companies face pressure to demonstrate that they are not using deceptive practices, such as transfer pricing, thin capitalization, re-invoicing and under-costing.

In the case of Zimbabwe, where the government is currently actively seeking additional sources of revenue, scrutiny and suspicion of mining companies is high, as government seeks to be able to project and plan for certain revenue targets from mining sector activity. Some government managers also expect that more transparency in industry will lead to more fiscal revenue. Non-transparency affects the national budgeting process, as the Ministry of Finance and Economic Development (MOFED) cannot estimate the revenue it will get from the sector, resulting in poor forecasting and the need to revise budgets later, often in a downward direction to reflect revenue shortfalls.

Governments are also under pressure to demonstrate that they are responsibly managing financial resources derived from mining activities, and provide transparent, attractive, and stable opportunities for foreign investment. Reputable international mining firms want to be able to obtain mining concessions in a transparent manner, without having to resort to under the table payments to obtain licensing or other approvals needed to move forward with their activities. Countries and governments with a reputation for corruption or opaque procedures will not be able to attract quality investors.

Civil society is often the primary watchdog and promoter of transparency, as it holds both government and industry accountable for wise use of natural resources and the income derived from them. Much of the public knowledge about the mining sector in Zimbabwe has come about because of dogged detective and advocacy work by civil society organizations that have brought to light bad corporate business practices, environmental and social risks of mining, and questionable behavior by government officials regarding licensing and governance of the mining sector. For civil society, transparency helps support its advocacy role as it can speak from a more informed position.

Communities which often bear the brunt of negative economic, environmental and social impacts of mining are the ones who have the most need for transparency in the mining sector. But they also have a steep learning curve, trying to understand how mining will impact their lives, even as they look to government to provide rational management of the sector. Their expectations for jobs and other benefits from mining activities can exceed what is realistic. Expectations that are mismatched with the economic or technical realities of the industry can lead to social conflict and civil unrest, which can have negative impacts on the community and impede the progress of mining activities. In the absence of transparency, communities can only speculate about the amount of revenues mines are making from exploiting their resources, and they tend to accuse mines of not doing enough in terms of Corporate Social Responsibility. Transparency eliminates speculation, and community rights can be championed from an informed position. Also, if the use of fiscal revenues from the mining sector is transparent, then the communities can objectively appreciate why the government is failing or succeeding in addressing their needs.

And the general public has its eyes on government as well, wanting to know what happens to the money it collects from mining companies, and whether that money is being used to promote development or just to line the pockets of a handful of government officials. Transparency and accountability go hand in hand, and any government that relies on the support of its people needs to demonstrate it is an adequate steward of income derived from the country's natural resources. The Nigerian government's poor handling

of oil revenues for decades is a prime example of how a government has squandered a natural resource and lost the trust of its people.

Development partners, along with civil society, often provide the impetus for transparency, especially when it comes to government accountability and good governance, regardless of the sector. The global EITI movement was initiated by development partners in Norway and the UK, and multilateral and bilateral donor agencies such as the World Bank have created many of the international safeguard policies and environmental and social performance standards, as well as those related to reducing corrupt business practices and improving the ease of doing business. Much of this work has been focused on the mining sector, within the context of promoting development activities and investments that benefit society and not just a few industry or government players.

Perception and Reality of Mining Sector Revenue Transparency in Zimbabwe

Within industry, the level of transparency varies by company size and minerals produced. Generally speaking, the large-scale mining companies and those that belong to the Chamber of Mines of Zimbabwe are transparent.

Large-Scale Mining Operations

The large platinum mines, including major producers Zimplats and Mimosa Mining, follow international best practices and public market reporting standards for reporting on activities, including production and revenue numbers. Ironically, even though these companies are arguably the most transparent ones, they are also subject to some of the most stringent monitoring by government. Government inspectors from several agencies are stationed onsite at mining company facilities to inspect operations, count the number of trucks going out, etc., all in an effort to monitor production, exports, sales income, payment of taxes and royalties, etc. Additional officers are located in neighboring South Africa, to inspect the other end of the shipments from Zimbabwe mines.

Within the gold sector, transparency tends to vary by size and technical sophistication of operations. Generally speaking the larger gold operators are relatively transparent. They sell their gold to the government-owned gold refinery, Fidelity Printers and Refineries, and so government says it is aware of their production and revenue numbers.

Large mines publish reports, although information may be aggregated, making it difficult for the government or others outside the company to understand how costs are allocated. But for the most part these companies comply with whatever information requests the government demands. There is a detailed schedule at the Chamber of Mines showing the distribution of revenues in the mining sector – costs, wages, taxes, dividends, etc. However there is a perception among some ZIMRA officials that companies may be shifting costs through transfer pricing, under-invoicing and other schemes to lower their reported profits. It is unclear if this is actually occurring or whether it is an unfounded suspicion based on lack of understanding of how mining operations do their accounting. The Chamber of Mines maintains that government has the data it needs, but that officials will still claim that they do not trust industry-provided numbers.

Small-scale Mining Operations

Smaller-scale operations can be less formal in terms of how they do their revenue reporting. Also, many of the smaller gold operators sell their gold into black market channels. The prices offered by the Fidelity Printers and Refineries are lower than the price offered by the black market. According to the Association of Small-Scale miners, this leads small-scale miners to opt for selling in the opaque market (a price difference of US\$5 per gram is enough to create a black market). These include both small-scale mechanized or semi-mechanized mining operations as well as artisanal miners. This leakage represents a real revenue loss for government as well obscuring what the true production figures and income potential of the sector are. There also are a lot of unregistered dealers. A number of foreign actors, including Chinese operators, are active in the small-scale gold sector. They have been accused of human rights abuses, negative environmental impacts, and of remitting money to individual politicians or security personnel rather than to Treasury. There also have been reports of Russian gold miners complaining about being harassed by politicians who demand cash from them and apply pressure to carry out projects in their constituencies for their own political benefit. As with any business that operates in such a gray area, there are those players who would prefer to have more transparency, while there are others who would prefer to remain in the shadows.

Artisanal Mining

Artisanal mining is by its nature unstructured and usually conducted outside of legal permitting and reporting channels. There are several development partner-funded initiatives to engage artisanal miners. The World Bank is currently supporting efforts to organize and provide technical support to artisanal miners to improve their working conditions and environmental and social performance and bring them into the formal economy. Also, PACT, and NGO, is implementing a DFID- and USAID-funded project on "Formalizing Artisanal and Small Scale Mining and Trading in Zimbabwe."

Diamond Industry

The diamond industry in Zimbabwe, which involves small scale operators working in concession areas managed by larger companies with mechanized equipment, is a special case. It is very secretive, well-guarded and largely kept off-limits to outside observers, including civil society groups trying to monitor labor and environmental issues by security forces. Reporting on production and revenues from these operations has been minimal, with the excuse of beating international sanctions against diamond sales as the pretext used to keep this area of the mining sector opaque.

The recent rapid growth of the diamond industry in Zimbabwe, taking place in a zone that is tightly controlled by the military and certain political elites, has created a perception that the mining industry overall is non-transparent, and that there is considerable leakage of mining sector revenues that go unreported. This perception is also fed by the knowledge that much of the country's gold production by small-scale miners is being sold on the black market, and thus goes unrecorded and untaxed by government.

Suppliers

Suppliers have also indicated a desire for more transparency in the industry. One of the country's leading suppliers of security service to the mining sector recognized that lack of transparency shown by either

government or private companies' increases public frustration and tension with mining operations. Lack of transparency when it comes to tenders and supply of services is also harmful, in that it inhibits competition among suppliers, and may lead to waste or fraud if supply contracts are awarded behind closed doors.

Media

The media also seeks transparency in the mining sector. Having access to information improves the quality and accuracy of reporting on an industry, while also allowing for broader discussions of how the sector is governed. But the media has a double-edged sword when it comes to transparency issues. On the one hand, responsible investigative reporting on industry can serve to inform the public of both the good and bad aspects of how the industry is run. But there are times when reporters lack the understanding of the subject matter, or are denied access to correct information, and uninformed speculation takes the place of responsible journalism. The media can sometimes bring more harm than good to coverage of a story, by misinterpreting or overdramatizing certain aspects of a story, thereby creating false or harmful impressions among media consumers. A case in point is media reporting on the gold industry, which has erroneously suggested that gold production is many times higher than currently reported figures, citing monthly production numbers of 12 tons per month, when Zimbabwe's annual production has never exceeded around 29 tons per year at its peak. This may be due to lack of reporters' knowledge in correctly assessing overall production figures from what they may observe in the field, vs. a willful desire to exaggerate the numbers. While there is no question that a significant amount of the country's gold production is leaking into the black market, the media has helped create an impression that the scale of the industry and level of leakage is much higher than is probably the case.

Perceived vs. Evidence-based corruption

The growing perception, fueled largely by the diamond and small-scale gold mining activities, is that the country's mineral wealth is leaving the country or being used only to benefit a small group of well-connected and well-protected people. This perception has tainted the rest of the sector. A number of stakeholders interviewed for this study commented on how mining in Zimbabwe did not acquire such a negative reputation until the boom seen in the Marange diamond fields. Now suspicions are high, among government officials looking for revenue, and communities seeking jobs and mining-derived benefits, regarding all types of mining, even including the mining operations of large-scale, world class companies such as the country's platinum miners.

There are a number of other factors which contribute to a general perception that there is a lack of transparency in the mining sector. Among these are:

- The 2013 Chindori-Chininga report produced by the Parliamentary Portfolio Committee on Mines and Energy, which found that there were serious discrepancies between what government receives from the sector and what the diamond mining companies claim to have remitted to Treasury.
- Other studies, including a 2013 ZELA report on diamond mining and 2012 report by Transparency International on artisanal mining concluded that there is lack of transparency and corruption taking place at many levels within some segments of the mining industry.

- Mining companies operating in the colonial period were not obliged to publicly report on revenues, a situation which still holds true today because colonial-era mining laws are still in place and have yet to be updated to reflect current best practices on revenue reporting.
- Likewise, concession awards and other contracting and permitting discussions that occur between government and mining companies are not open to public scrutiny.

However, groups like Transparency International Zimbabwe like to point out that there is a need to distinguish between perceived corruption (due to lack of information) and evidence-based corruption. Where there is no information, perception is regarded as reality. At a broad level, people have equated lack of transparency in the diamond sector with lack of transparency in the rest of the mining sector. Diamonds have largely remained opaque, while media's often incorrect reporting on gold production numbers have fueled inflated assumptions.

There is a growing sense that transparency does need to increase in the mining sector. The ZMRT Initiative and investigative work of civil society and the Parliamentary Committee that were active under the previous government served as a catalyst for discussion of revenue transparency. More recently, the President and key ministers including the Ministers of Mining and Finance have spoken of the need for more transparency in the sector. Changes were made in the board of the Zimbabwe Mining Development Corporation (ZMDC) Board, reportedly related to transparency issues, and the government is understood to be considering shutting down or limiting the number of operators in the Chiadzwa diamond fields, in part because there is little visibility into operations there.

Reporting and proper interpretation of data

Despite a lack of strong government tools and legislation to promote transparency, the industry is not entirely opaque. The Chamber of Mines publishes monthly and quarterly production and revenue figures as well as information how mining revenue is shared on its website. And formal mining companies generally comply with the few existing laws on reporting, so there is not believed to be a widespread effort among the established players to hide revenue or otherwise keep data hidden, even if there may be need to enhance the level of disaggregated detail of this information. In some cases, government managers or others do not know where to find such information, or they fail to properly interpret published information that is available.

In some cases the suspicion and perception of corruption or lack of transparency is driven by ignorance of how the mining sector works.

- For example, many Zimbabweans inside and outside government see a disconnect between announced production figures for minerals in-country and the prices paid for minerals on the world market, without realizing how much of that market price may be eaten up by production costs.
- Similarly, there is a lack of understanding in some government circles about how platinum metals are priced and sold. Platinum metals are typically exported from Zimbabwe as a semi-refined aggregate of the several minerals, which are then further refined and separated in South Africa or other countries. The value of the various minerals is accounted for in the sale prices, yet there is a perception that value is being lost by not having the component minerals separated and sold within country.

- ZIMRA (the revenue collection authority) has its own fiscal tools to monitor the mining sector, although as noted above, there are indications that lack of capacity and knowledge about mining production and reporting processes within ZIMRA lead to an atmosphere of suspicion and mistrust of numbers provided to ZIMRA by the mining companies.

Status of the Zimbabwe Mining Revenue Transparency Initiative (ZMRTI) and ZMRTI Oversight Group (ZOG)

History and Status of ZMRTI

The ZMRTI was initiated by the Office of the Deputy Prime Minister in the previous Government of National Unity (GNU). The intent of the initiative was to gain a better understanding of revenues coming from the mining sector, as part of a quest to increase government financial resources.

The initiative was supported by the World Bank, which has worked to increase mining sector transparency in many countries through provision of technical assistance to enable their participation in EITI. However, for reasons described below, rather than positioning the transparency initiative as a simple process of adhering to international EITI tenets, it had to be promoted as an indigenous Zimbabwean initiative.

Also, it should be noted that from the outset, although stemming from a genuine desire to understand the sources and uses of mining revenues, the ZMRTI initiative was hampered by the fact that it was initiated by government officials associated with the opposition Movement for Democratic Change (MDC) Party which is a bitter political rival to the President's ZANU-PF Party. ZMRTI was seen by ZANU-PF partisans in government as a ploy by the opposition MDC party to peer into the inner workings of the diamond sector because it was housed in the office of an MDC Deputy Prime Minister, and strongly supported by the then-Minister of Finance who was also from the MDC. The Ministry of Mines and Mining Development did not fully embrace the initiative, predicating its position on the fact that the country was under sanctions.

Arguments against supporting EITI or ZMRTI and mineral transparency in general included the position that because the country was under sanctions it should not be revealing information on its sources and uses of revenue. At the same time, as noted above, there was significant opacity surrounding the diamond sector, due to the involvement of a number of powerful interests in the sector. There was also negative feedback from Zimbabwe's experience with the Kimberley Certification Process, another international transparency initiative which placed restrictions on Zimbabwe's ability to sell diamonds in European and North American markets. Seen by some as yet another international initiative to foster regime change, EITI remained an unpalatable concept to some Mines Ministry officials and others in government, as it appeared that joining EITI would compound the pressure on the government for disclosure coming from the Kimberly Certification Process.

Despite these challenges, in September 2011, a document proposing the establishment of ZMRTI was circulated among key government ministries and other stakeholders, including the Ministries of Finance and Mines and Mining Development, the Reserve Bank of Zimbabwe, the Chamber of Mines of Zimbabwe, and the Parliamentary Portfolio Committee on Mines and Energy, as well civil society organizations, and the World Bank. The document proposed the creation of a ZMRTI Oversight Group (ZOG) with participation from each of the stakeholder organizations. A number of meetings of the group were held during 2011 and 2012, and various documents circulated, including a proposed charter, workplan, TORs for

a team to conduct reconciliation of revenue reporting, etc. although the group was unsuccessful in electing a chairperson.

In addition to the work being carried out under the auspices of the ZMRTI, there were other moves made under the previous government to increase transparency in the mining sector. Under the GNU's tenure, the Cabinet approved EITI principles of revenue transparency and accountability in its Medium-term Economic Plan, while references to transparency appeared in the new Constitution. There were also references to transparency in the revisions that were being proposed to the Mining Act. A Parliamentary Committee on Mining and Energy held a number of hearings and conducted investigations into mining sector activities.

A World Bank-commissioned scoping study for ZMRTI carried out by Dr. Kadenge of the University of Zimbabwe in the waning days of the GNU demonstrated that there was broad if unspecific interest in promoting transparency in the mining sector, but it noted that the ZMRTI initiative was hampered by the lack of consensus across the political parties and various ministries on how and whether to move forward with it.

In addition, the negative stance taken by the Minister of Mines and Mining Development on the initiative kept many mining industry players on the sidelines as they did not want to clash with the Ministry on transparency issues.

Ultimately the ZMRTI stalled, due in large part to a lack of support from the beginning by a key stakeholder, the Mines Ministry. A review of meeting minutes and discussions with former ZOG members suggests that the Ministry of Mines was largely or wholly absent from the meetings, and the previous mines minister showed no apparent interest in the initiative.

When the government of national unity ended in July 2013, the Deputy Prime Minister's office, the lead institutional driver behind the initiative, was eliminated. Also, a number of the key Parliamentarians active in promoting mining sector transparency lost their seats in the elections. Because the initiative was seen by ZANU-PF partisans as MDC-inspired activity, once the GNU was replaced by a government dominated by ZANU-PF supporters, the ZMRTI was left behind along with a number of other GNU-era initiatives.

Once the new ZANU-PF dominated government took power in 2013, the ZMRTI faded quickly into near obscurity, to the extent that a number of government and other stakeholders interviewed for this study either claimed not to be aware of it or had only a vague sense that it had even existed as a potentially viable initiative.

Status of Mining Act revisions as they relate to transparency

The proposed GNU-era revisions to the Mining Act that promoted increased transparency are understood to have fallen into the same limbo as ZMRTI. The Mining Act is still waiting revisions. While a 2013 draft suggested that transparency and accountability would be highlighted in the new Mining Act, with the change in government it is unclear if the current discussions on revision reflect the thinking prevalent under the GNU. The process of revising the Mining Act itself suffers from a lack of transparency. Parliamentarians, civil society and even industry stakeholders say they are not being actively consulted on current efforts to revise the Act.

Challenges faced by Mining Transparency Initiatives in Zimbabwe

While the fortunes of ZMRTI were too closely linked to the opposition MDC Party, a number of challenges face any initiatives to bring more transparency to the mining sector.

Political Challenges to Transparency in the Mining Sector

As noted above, the issue of mining transparency and how to bring it about became entangled in the larger political struggle that has embroiled the country for well over a decade. The battle between two main political parties, ZANU-PF and MDC infused and continues to infuse discussions of any major policy thrust with a political dimension. This situation creates a climate of tension and suspicion that can poison any debate about policy options or performance in a given sector.

Even as ZMRTI became stalled under the GNU, there was hope expressed by some in government, including a number of stakeholders interviewed for Dr. Kadenge's report, that when the multiparty government was replaced by single party rule, the governance processes providing oversight of the mining sector, including those related to transparency, would no longer be subject to political wrangling and could thus move forward. It was also thought that the easing of sanctions would improve prospects for improving transparency in the sector. However, to date neither of these potential opportunities has come to pass.

In fact, while the competition between the two parties forced to work together under the GNU led to numerous clashes of ideas and personalities, political observers have noted there was a certain competitive dynamism in the previous government that is lacking in the current government, especially with regard to Parliamentary initiatives to promote mining sector transparency.

Parliament's changing role

Another key aspect of the political challenges faced in making the mining sector more transparent is the changing role and influence of Parliament in the transparency debate. Under the GNU, parliamentary oversight in general, and in the mining sector in particular, was seen as more robust, as the parliamentarians appeared to be competing with each other to get their initiatives put on the table.

A Parliamentary Portfolio Committee on Mines and Energy in the last parliament was led by a chairman who had been a former mines minister. As such, the strength of the parliamentary portfolio committee was based on the previous chairman's knowledge and experience in the mining industry as well as his motivation to bring about action. This committee played an active role in supporting ZMRTI. It also supported the Publish What You Pay (PWYP) campaign. Parliament also received capacity building from civil society organizations (CSOs), which helped facilitate visits by parliamentarians to mines and mining zones.

Unfortunately, this proactive and activist energy and dynamism did not carry over into the new Parliament in 2013. In the current parliament, financial constraints are affecting its ability to play the oversight role. In addition a number of the knowledgeable and active proponents of mining transparency in the former

parliament lost their seats in the last round of elections, while the dynamic committee chairman passed away.

Current parliamentarians, including those involved in previous transparency initiatives have suggested a new round of capacity building by the CSOs is needed to raise awareness among new and old parliamentarians about mining sector-related issues. As a result of the knowledge and enthusiasm gap, the current parliament has done very little to advance the cause of mining sector transparency, compared to the previous parliamentary session, despite the presence of a minister who has spoken positively of the need for more transparency.

In addition, despite the fact that both the executive and legislative branch are now dominated by a single political party, internecine disagreements between different factions within the ZANU-PF, as well as the presence of some MDC representatives in Parliament mean that there are still divisions within the various branches of government on how or whether to proceed on transparency initiatives, which affects parliament's ability to play a strong oversight role in the sector.

There is another more fundamental mining sector governance challenge faced by Parliament, which is that the executive branch of government often does not consult the legislative branch on its actions. Stakeholders interviewed for this report says this was the case under the GNU and it continues under the present administration.

Parliamentarians note that they have had limited visibility into the process of drafting mining policy, and Mines Act revisions have not been presented to parliament. License fees were hiked without consulting the legislative branch. Parliamentarians conducting investigations in the GNU era were refused entry into mining sites, ostensibly due to restrictions placed on those sites by the executive branch. Frustration also has been expressed by Parliamentarians and civil society that under the Minerals Marketing Corporation of Zimbabwe (MMCZ) Act the Minister of Mines is obliged to compile and present reports on the sector to Parliament, which they say does not occur unless Parliament expressly asks for such a report. Likewise, when the Parliamentary Portfolio Committee under the previous government presented the results of its investigations into the mining sector, the Mines Minister was not present at the hearings, and Parliamentarians and CSOs say that no actions were taken as a result of the findings of these reports.

Diamond Sector Sanctions and Security Issues

The sanctions issue is still being used by some to deflect calls for transparency, because even though the EU and Australia have indicated they want to engage Zimbabwe, the US still maintains sanctions on Zimbabwe diamonds. It is still difficult, even with the return to single-party control of government, to implement transparency initiatives, particularly in the diamond sector because it has been heavily militarized. Security services at the diamond mines are supplied by the police and the military instead of private security companies. This militarization weakens the hand of civilian ministers in implementing initiatives that call for more transparency at these sites.

Legal and regulatory challenges to transparency

A key weakness faced by the ZMRTI was that it was an initiative driven by a Cabinet decision, but there was no legal or regulatory backing for it. As such there were inadequate legal or regulatory tools to compel either industry or government to become more transparent. The existing Mines Act (1923, amended since

1961) is outdated and has limited provisions for access to information. Also other laws restricting access to information (e.g. including the Access to Information and Protection of Privacy Act, AIPPA, as well as the Protected Places and Areas Act) inhibit the ability of CSOs and the media to gather information on the mining sector. The new Constitution has provisions for access to information, but the laws to implement these provisions are yet to be enacted.

Lack of Trust

As a result of the political wrangling and lack of sharing of information, there is a very low level of trust among the various mining sector stakeholders. This inhibits the ability of these groups to have meaningful discussions about transparency, or for them to be motivated to be transparent themselves. Some of the relationships which are affected by this lack of trust include the following:

- Within Government: there is a lack of trust between factions supporting the two main political parties, as well as internal divisions and power struggles between factions with each of the main parties (ZANU-PF and MDC). Beyond the political gamesmanship, it is understood that there are political elites with financial interests in the mining sector who benefit from lack of transparency and will therefore try to block efforts to make the sector more transparent.
- Between Government and Industry: as noted elsewhere, some government managers believe industry is hiding profits and manipulating data on production, while industry believes government is either ignorant of the numbers it is being provided, or that it is demonizing mining companies for political reasons. The Chamber of Mines has attempted to bridge this gap in its work with the Ministries of Mining and Finance.
- Between Government and Civil Society: Lack of trust between the Ministry of Mines and civil society is significant and ongoing, and related to the political struggles within government. ZANU-PF supporters within the GNU and the current government see CSOs as proponents of regime change and MDC supporters, and thus not serious interlocutors on issues regarding mining sector governance. In particular, some within the government saw ZELA's involvement in the Kimberly Process as an anti-government campaign, rather than a transparency initiative. Aside from the political dimension, technical staff within the Mines Ministry also maintains that CSOs lack the technical expertise needed to discuss mining sector activities. For their part CSOs are frustrated because they feel that despite their knowledge gathered on the ground in communities affected by mining, they are excluded from interaction with government, including policy debates and access to information about the sector.
- Between Industry and Civil Society: some industry players feel CSOs exaggerate environmental and CSR issues, and like government, maintain that CSOs do not have the technical expertise to understand the challenges of mining operations.
- Between media and government: the Zimbabwean media can either be a vociferous, if not always accurate, critic of government, or they act as the mouthpiece for government or party messaging. Neither one of these approaches engenders trust or confidence about the sector, nor about media's ability to honestly provide accurate information about the sector. As a result, both government and industry can be reticent to engage the media on mining sector issues unless they are trying to promote a position on a critical issue.

Investment Climate Challenges

The argument can be made that increased transparency within the sector, when it comes to permitting, taxes and royalties, etc. can encourage foreign investment. Thus a government that encourages transparency and clear and established processes that respect the rule of law will provide a more favorable investment climate than countries that do not.

However, there is an issue that largely overshadows transparency as a concern for potential foreign investors in Zimbabwe, which is indigenization. The government's push for indigenization, which calls for foreign investors to offer a 50% or greater stake in their operations to Zimbabwean partners is acting as a brake on some new foreign investment, and has caused a number of existing players already active in the country to reconsider their future investment plans.

The push for indigenization is supported in part by the argument that having majority Zimbabwean ownership provides greater participation in sharing the income from natural resource development. However, as experience in both the agricultural sector and the diamond industry in Zimbabwe has shown, indigenization can end up largely benefitting a handful of large and politically powerful elite, not the broader Zimbabwean public interest. Also, cronyism and lack of management expertise can harm the potential returns from the business.

The two issues of indigenization and transparency are not truly linked; one is about ownership, while the other is about business practices. But discussion of indigenization does heighten tensions between government and industry, which can affect the level of trust between them and their willingness to share information.

Current Environment for Transparency Initiatives

The current environment for transparency is somewhat difficult to gauge. On the one hand, there is frequent mention of transparency in ministerial statements and the media. And yet it is unclear how much appetite there is for the various stakeholders to overcome their trust issues and agree on a common approach to improving transparency in the sector. In this regard, it is helpful to look at the current environment for transparency stakeholder by stakeholder.

The current Zanu-PF-led government, which came to power in the 2013 election, has voiced a strong interest in increasing revenue transparency, albeit primarily in the context of increasing revenues.

The Ministry of Mines, including the current Mines Minister, has called for transparency in the mining sector. But the Minister has specifically rejected the EITI as a foreign initiative that was not developed with Zimbabwean participation. He has called for a "home-grown" transparency initiative to be developed, without specifying what this might entail. Beyond the public pronouncements of the minister, it is harder to gauge attitudes towards transparency among Ministry staff. However it is clear from interactions with Ministry officials that they are aware of the importance of their sector to the national economy, are sensitive to criticism about their management of the sector, and see themselves as the lead technical

resource for any mining-sector-related decisions or activities. As such, their buy-in is critical for any multistakeholder transparency initiative to be undertaken.

Key Ministry of Mines stakeholder views expressed during this study include:

- The Deputy Minister of Mines is very interested in supporting a transparency initiative coming out of the SERA study, and said it would dovetail well with the Corporate Governance initiative which is to be unveiled by the President of Zimbabwe shortly.
- The Director of the Geological Survey said there is strong ministry interest in improving the mineral cadaster and in organizing and formalizing the artisanal mining sector, both of which would increase transparency. But he noted that a lack of resources within the ministry itself made such plans difficult to implement, and that outside support from development partners was welcome.

The Ministry of Finance and Economic Development has shown a strong interest in revenue transparency initiatives, including EITI. The Ministry was actively involved in the ZMRTI and attended meetings, and has continued to promote the importance of eventually being a part of EITI. However there is recognition within the Ministry that ZMRTI and/or EITI-related initiatives will not be supported by the Ministry of Mines, and therefore these concepts are not being promoted heavily by the Finance Ministry at this point. However, if the political environment for discussing EITI becomes less toxic in the future, the MOFED will be ready to play an active its role in enabling it. Meanwhile, the Finance Ministry is likely to be a willing player in any transparency initiative that comes along in the meantime and that has the support and buy-in of the Mines Ministry.

Key players within the Finance Ministry and related institutions presented the following views in interviews for this study:

- A senior MOFED Economist official involved in Ministry transparency initiatives say interest within MOFED to adopt EITI is still strong, but it recognizes the importance of finding common ground with the Mines Ministry on an approach to transparency
- The Deputy Governor of the Reserve Bank, who is familiar with EITI from when he was working at the African Development Bank sees the value of moving towards EITI, but recognizes the need to take incremental steps that are non-threatening to key players (e.g. Mines Ministry)
- The Fidelity Printers and Refiners CEO said there has generally always been transparency and accountability in the mining sector until the opaque, politicized and militarized diamond sector began its rapid growth. This has cast suspicion on the entire industry. He is prepared to support transparency initiatives.

Parliament: As noted earlier, the parliament under the previous government played a significant role in raising and pursuing mineral transparency issues, primarily through its Portfolio committee on Mines and Energy, which was chaired by an MP who was a former mines minister. It was fairly active and aggressive in attempting to look at the mining sector under the Government of National Unity. It worked with civil society on capacity-building and awareness-raising among Parliamentarians on issues related to the mining sector. However, under the new government, a number of the key people are gone, including the

chairman of the committee who has passed away, while other former members lost their seats in the most recent elections. As a result the Portfolio committee in the current parliament has yet to demonstrate the same amount of energy and vigor in providing oversight over the mining sector. In addition, the executive branch does not regularly consult with the Parliamentarians on mining issues.

- An MP active in the previous parliament's efforts to promote transparency in the mining sector says the new parliament is less informed or focused on the issues, and needs support from civil society and others to become educated and to play stronger watchdog role vis-a-vis industry and the Executive branch of government oversight on mining sector policy and activities

Other stakeholders are also interested in seeing transparency in the sector, including industry, development partners, civil society and the general public.

Mining companies, particularly the large, publicly traded companies with international backing support transparency, and in fact claim they provide it already through their quarterly reporting to shareholders and the media. Large mining companies were aware of the ZMRTI, but they felt the initiative did not take off the ground because of the politics of the day, and they were reluctant to become active in ZMRTI given the Minister of Mines' opposition to it and EITI. They could support the resuscitation of the initiative, or other initiatives but will be reluctant to sign on to any new activity that does not have strong government backing, especially from the Ministry of Mines.

Key mining industry stakeholder views captured in interviews for this study include the following:

- The Chamber of Mines supports revenue transparency, but its Executive Director says it has been challenging for industry to work with a government that seems ignorant of how the industry operates and which is suspicious of mining company reporting on production and revenues
- The Mimosa Mining Executive Director said industry is ready for creating multi-stakeholder "think tanks" or other fora to hold policy reform discussions, but wonders if government has the capacity and the political will to participate in such initiatives?
- The Zimplats General Manager for New Business Development said a key issue is information asymmetry and lack of understanding by government of how the industry works. He also noted how government and the Chamber may be stretched thin to provide capable resources to participate in more working groups or forums

Development partners, including the World Bank, USAID, DFID and other European development partners support increased transparency, accountability of both industry and government in the mining sector.

- The World Bank has consistently been a strong promoter of EITI and other transparency and accountability initiatives in many developing countries. It was the key backer of the ZMRTI initiative when it was active, and commissioned a scoping study to see how the initiative could be expanded. However with the change of government, the loss of momentum for the ZMRT, and discussions with the Mines Minister indicating his reluctance to promote EITI, the Bank has refocused its mining sector activities in other areas, including supporting the development of a fiscal model intended to improve financial reporting across individual mining companies and the government. It is also supporting an assessment of the scale and potential of diamond resources in Marange.

- The Government of Norway is supporting the development of a mining fiscal model to allow the Zimbabwean government to forecast potential revenue implications of various tax regimes
- USAID, through the SERA Program has funded the current study as a way to explore how it might be able to support and encourage transparency in the mining sector. USAID has been a strong proponent of EITI in other countries, but recognizes that pursuing a Zimbabwean approach to transparency will get more buy-in at this point in time.

Civil Society is and always has been interested in transparency, and they were among the strongest supporters of the ZMRT Initiative. In addition to wanting to know what mining companies are producing and the revenues this generates, they also want to know what government is doing with the money it received from industry. As such, they are interested in accountability along with transparency. Several key CSOs interviewed for this study said they want to see real transparency on the part of government and industry. But they are ready to let those two parties talk and build trust and disclosure initially in the absence of civil society initially, if that leads to eventual progress on transparency

- Transparency International Zimbabwe conducted an in-depth study of corruption in the artisanal mining sector in 2012, which was the TI Zimbabwe affiliate's first major foray at looking into transparency in the extractive sector. It is now looking at expanding its activities around transparency and corruption in the mining sector in Zimbabwe.
- Chiadzwa Development Trust has been active in monitoring mining activities and their environmental social and economic impacts on communities. They are eager to discuss transparency and other issues with government and industry, but say the current Mines Minister has been less willing to engage CSOs than his predecessor.
- ZELA has been an active supporter of ZMTRI and other initiatives to bring more transparency and accountability to both industry and government in the mining sector. It is willing to support any transparency initiative, including those that might initially not directly involve CSOs as a way to step towards increasing transparency and dissemination of information about the industry and related government policies
- Centre for Resource Governance supports transparency initiatives and are concerned about petty corruption in and near mine sites which lead local politicians and mining companies to make development investments which may not benefit the communities.

The general public is very interested in mining transparency, because like the government and civil society, they have great expectations that mining will provide the country jobs and higher incomes. As with civil society, transparency is closely linked to accountability. However, the general public has very little visibility into what is happening in the industry, beside government statements and media coverage.

Other Transparency-related Initiatives

There are a number of activities underway or planned in the mining sector which may in some way contribute to transparency in the sector. In addition to avoiding duplication of effort, any major new

transparency initiative should be planned in such a way as to complement these activities or to help achieve synergies with them

- Joint reporting and publishing of data by Chamber of Mines and Government – The Chamber of Mines and the government have agreed that they will begin to jointly publish information on mining production, costs, revenues, taxes, etc. The information will be published quarterly, and will be aggregated by mineral rather than by individual mine. The Chamber will be responsible for providing the information on its member companies, while the government will undertake to publish information on mining operators that are not Chamber members, as well as its own information corresponding information on revenue it has received. It is intended that this information be actively disseminated to the public through the various media, including the radio, as well through the Chamber websites. The decision to jointly provide this information appears to have come from criticism that both industry and government do not provide enough public information, with industry and government often disagreeing about numbers that do appear in public.
- Mining Policy Think-Tanks - Following a conference held in February 2014 by the Institute of Mining Research, the Chamber of Mines, and Government on Beneficiation, conference participants proposed creating three mining policy think tanks:
 - A Beneficiation Think Tank to look at options and issues related to increasing beneficiation of minerals in Zimbabwe
 - A Legal Framework Think Tank to look at possible revisions to the Mines and Minerals Act
 - A Taxation and Mineral Value Accounting Think Tank, which would include revenue transparency issues

The goal of the think tanks is to bring together industry, academia, civil society and government decision-makers who can address critical policy issues in the three targeted areas. Following the February meeting, the mining industry, through the Chamber, nominated experts from industry and civil society to participate in the various think tanks, and sent their list of proposed participants to the Ministry of Mines. However to date the government has not identified its experts who will sit on the panels, nor have these think tanks been formally constituted yet. It is unclear why government has not moved forward on this initiative yet. Some stakeholders speculated that there was still little interest by Mines Ministry staff in talking about these issues with others from outside the ministry, while others suggested that manpower is short within the ministries given the rising level of mining activities and that they may simply have not yet been able to identify appropriate candidates with adequate time to do the work of the think tank.

- Mining fiscal model – This model, supported by the World Bank, is designed to capture revenue and tax information from across individual mining operations, to help government better predict tax revenues. The model is to be used by both the private sector and government.
- Tax Planning Model – another modeling exercise being supported by the Embassy of Norway seeks to help the government forecast how different tax regimes will affect mining investment, sector growth and likely tax revenues.

- Ministry of Mines Cadaster – The goal of the cadaster is to have electronic information on mineral assets and mining concessions that will be available to multiple stakeholders.
- Syndication of artisanal miners - the Ministry is planning to form syndicates of small-scale miners throughout the country, which would facilitate their formalization. A key goal is to bring them into the formal economy and have them sell their gold through official channels.

Key Success Factors and Other Considerations for a New Transparency Initiative

Given the current environment, the objective of any new initiative should be gaining buy-in from all key stakeholders, especially the Ministry of Mines, while the focus should be on building a common base of knowledge and trust about how the mining sector is being developed and managed.

- Buy-in of key players: The first step is to gain buy-in of all key players, especially the Ministry of Mines and Mining Development leaders. The Ministry of Mines did not participate in ZMRTI, and the current Minister has been vocal about his rejection of EITI or anything that resembles an externally imposed initiative. However, the current minister has been publicly supportive of increased transparency in the sector.
- Multi-stakeholder engagement and participation: there is a need to bring together multiple stakeholders around some common organizing principles, and make sure that everyone's voice is heard and their positions respected. While the Mines ministry may need some additional encouragement to become involved in any new transparency initiatives, other stakeholders from government, industry and civil society have already demonstrated a willingness to come together to discuss transparency issues under ZMRTI.
- Common Information baseline is needed: There is a recognition that in initial phases of engagement there may be significant information asymmetry, where some players in the room have significant or detailed technical knowledge about some aspect of the mining sector while others know little about that subject. A key goal of any transparency initiative should be to provide all stakeholders with a common baseline of factual information on which to base their discussions. CSOs can often play such a role, and in fact in Zimbabwe they did so with the previous Parliament, serving as information resources and facilitators of field visits by Parliamentarians to mining zones on fact-finding missions.
- Strategic approach: A number of stakeholders noted that positioning any transparency initiative as a problem to be solved or to expressly address a particular issue could lead to the problems seen with ZMRTI. Rather they suggest that positioning transparency in the context of a broad discussion about governance, starting from a position of knowledge-sharing, could result in more willingness to participate. For example they suggested positioning the transparency discussion in the context of the new Code of Corporate Governance Policy/Code of Conduct, which puts demands on both government and private company executives to show good governance.

- A “Home-grown” approach is needed: In the current political climate, any new initiative needs to be—and be seen as—Zimbabwean in character, rather than a foreign concept imposed from the outside. As such even if there is support for some of the concepts and principles common to EITI, they will need to be raised and discussed in ways that resonate in the Zimbabwean context.
- Any new transparency initiative should be given a new name, to distance itself both from EITI and ZMRTI, to give it its own legitimacy, and to avoid tainting it with association to the past initiative. The focus should be on knowledge exchange and provision of information, vs. alleging and targeting presumed wrongdoing.
- Government needs to be a key player in bringing about increased transparency, and should play a leading role in convening any new initiatives, but as part of a participatory and multi-stakeholder group so that the group’s agenda and activities are not driven by a single stakeholder. And there need to be champions within each of the key ministries and agencies to make it happen. The Ministry of Mines shows a preference for taking the lead on of all mining-related activities, although arguments can be made that the Finance Ministry should be the focal point on revenue transparency issues. Both ministries need to play a key role in informing the other ministries, and other stakeholders of their ministry’s needs and issues related to the mining sector, including transparency issues.
- Who should house or lead the initiative?: One approach is to have a quasi-independent governmental organization such as the Institute of Mining Research (IMR), which is respected by both government and private sector, play a convening role to bring stakeholders together and initiate the discussion. The IMR, along with the Chamber of Mines can play a mediating role in bringing together stakeholders outside the two primary ministries.
- Capacity building and knowledge exchange: is critical to enabling transparency. The Executive branch of Government and the Parliament need to understand both the technical and financial mining processes – contract negotiation, licensing, fees, exploration, mine development, mining, mineral processing, marketing, mining taxation, mining cost structures, etc. The government should have confidence and capacity to understand how the sector works. Likewise industry and civil society need to understand the pressures and priorities that may drive government decisions on mining licensing, taxation, etc. Improved knowledge among all parties about the resource base and the value chain associated with various types of mining can help dispel common misconceptions or prejudices. Value chain studies may be able to will show where corruption is in the chain. Resource definitions are also important to understand the amount of resources the country has. There is also need to do research on leakages.
- Incremental approach: as noted elsewhere, if a new transparency initiative is positioned as revelatory, investigative or punitive, and designed to expose people or actions that are considered non-transparent or of questionable legality, political and other forces may prevent it from getting off the ground or gaining much traction. Therefore, it is recommended that any new initiative take an incremental approach, focused on sharing information in a factual, non-judgmental forum, and that more contentious issues, such as questions of corruption in the diamond sector, be avoided initially.

If an initial baseline and consensus on transparency can be established, subsequent steps described below can be considered to mainstream transparency. But these should not be the starting points of any

discussion. Rather their merits, or the shortcomings of not having them in place, can be presented as transparency discussions evolve.

- Governance as a shared responsibility: the Executive branch of government should not be seen as the sole actor in enabling better mining sector governance, including transparency issues. The Parliament, the civil society organizations and the communities all can play a useful role in monitoring and highlighting environmental, social and economic issues, including revenue transparency, in watchdog or oversight role. The communities especially need to monitor environmental management and Corporate Social Responsibility practices, while CSOs and the Parliament can monitor similar issues while also serving in a watchdog or oversight role vis-a-vis the central government.
- Policy reforms: e.g., Mining policy and revisions to the Mines Act are long overdue, to reflect the evolving nature of the mining industry, which bears little resemblance to that which was present in colonial-era Zimbabwe. The Mines Act should be aligned with the new Constitution which provides for transparency and accountability as well as to recognize the small-scale mining sector and to formalize it, which will bring more mining revenues into the formal economy and Treasury.
- Regulatory Reforms: There is a need to simplify regulations on how to participate in mining, while also making distinctions in regulatory, licensing, fees, and other requirements for small firms vs. large firms. If the licensing process is complicated, difficult or costly, many smaller players, and some larger ones as well, may choose to work outside the system, which creates more opacity and the opportunity for corruption. Dispute resolution methods should be simplified, especially over land use, where there may be conflicts between miners and farmers.
- More proactive Information dissemination: A lot of the raised expectations, mistrust and suspicion tied to the mining sector come from a lack of basic information being made available to both decision-makers and the general public. This issue is important on several levels: a most basic one where companies, government and CSOs must do a better job of explaining how the sector works. If basic facts are more widely known about the technical and financial aspects of the industry, and why company decisions regarding investments, government policy, CSO advocacy campaigns are made, there is less room for speculation and misinformation to drive public opinion about the sector. On another level, requiring industry and government to report regularly on sources and uses of mining income will also serve to dispel suspicions among the key stakeholders and the general public. A more proactive approach to releasing information, whether it is voluntary or mandatory, will go a long way towards satisfying the demand for information on the country's most rapidly growing sector.
- The right to withhold some information: Despite the benefits of proactive information dissemination, there needs to be recognition that companies and the government have a right to limit the publication of some information, which may be deemed sensitive or potentially harmful if released, or the release of which serves no useful purpose. The challenge is to establish a bar which allows companies and government to withhold some kinds of information, while avoiding a blanket prohibition on disclosure based on some broad and unspecified "national security" or "competition disadvantage" excuse. Policies and laws restricting information dissemination should not be used to hide illegal activities or poor management choices made by government or industry. Setting realistic and justifiable guidelines for what information can be shared and what can remain restricted will help educate the public on what information they have a right to expect from government and the opportunity to receive it.

- **Conflating transparency issues with resource prosperity issues:** One of the challenges the mining industry and government face with respect to transparency is that transparency concerns, which come down to who is doing what and why, and what kind of financial transactions are occurring, becomes conflated with the larger general discussion of whether the country is adequately profiting from mining. The perception that companies are not fully reporting their production and income, is seen as “corruption,” and then becomes enmeshed with discussions about why Zimbabwe’s mineral wealth has not benefited a broader swath of the Zimbabwean public. These two issues are important, and are somewhat related, but they need to be addressed separately to better resolve the challenges entailed in each one. What a mining company says it pays to government, and what the government says it received, as well as other transparency issues relating to contract awards, etc. are much narrower issues than the larger question of whether the country is ensuring wise use and governance of its mineral resources to improve prosperity for all Zimbabweans.
- **Human Resources and Capacity:** One of the challenges with being transparent about information is that there are many people working in government and in the mining industry who either do not have adequate technical knowledge of the sector or are not accustomed to sharing that information with others. The fact that the three think tanks proposed in earlier in the year still do not have government representatives on board may be due to lack of personnel who are comfortable or technically capable of talking about the issues that will be raised in the think tank meetings.

Findings and Recommendations

Summary of Findings

The most important findings from this study are the following:

Buy-in will be needed from key stakeholders for any transparency initiative to succeed, starting with the Ministry of Mines and Mining Development. Other key government players, including the Ministry of Finance, ZIMRA, and the Reserve Bank, as well as industry and civil society, also are needed to make a transparency initiative work. In particular, the support of top Mines Ministry officials (including the Minister, Deputy Minister, Permanent Secretary, and other top managers) is critical to the success of any future mining transparency initiative. This was a key missing ingredient in ZMRTI.

There is a need to build both a common knowledge base about the sector and atmosphere of trust among stakeholders to enable a productive discussion about transparency issues. Setting these two baselines is more important initially than trying to tackle a particular transparency-related issue, even one as critical as revenue transparency.

Additional findings from the stakeholder interactions which took place as part of this study are listed below:

- ZMRTI appears dead as an initiative, it was and still is too closely associated with the opposition MDC party, which is now no longer in a power-sharing arrangement in the Executive branch of government.

- The Finance Minister and other Ministry officials have been public in their interest to push revenue transparency and possibly even moves toward EITI, but they recognize there is resistance to EITI from Minister of Mines and others in government.
- The Minister of Mines has stated publicly he is opposed to EITI. He wants to see “home-grown” Zimbabwe transparency initiatives and not have outside initiatives imposed on Zimbabwe that were developed without Zimbabwean input and participation.
- The Mines and Finance Ministries, including ZIMRA, are working together behind the scenes on improving reporting and rationalizations of various taxes levied on industry by different government entities, and also are working on a joint reporting initiative with the Chamber of Mines.
- All stakeholders interviewed appear to support transparency, but they define it differently, have different reasons for wanting it, and tend to point to others’ transparency shortcomings, not their own.
- Thus the real urgency driving the government interest in transparency is the need to find more revenues to pay government bills. Companies want government revenue transparency so they stop being seen as the villains. Civil society wants accountability for use of nonrenewable resources and revenues derived from them.
- Broad support for transparency and accountability exists among stakeholders, but for some it is not just about revenue transparency, but also about transparency in awarding of contracts and concessions, benefit sharing, community development decisions, etc.
- There is a fairly significant lack of understanding among parties about how mining sector works: including operational technical aspects, as well as mining finances. There is little to no understanding outside the private sector of how much of the market price for a mineral is eaten up by operational costs.
- The diamond business is the least transparent part of the sector but also the most politically charged. Most people can or do want to stay away from scrutinizing it for now, although there are strong feelings that that is where there is least transparency, most corruption and most lost revenue.
- The issue of transparency is often conflated with a general discussion of whether the country is adequately benefiting from mining. These two important issues need to be untangled and discussed separately.
- A number of key strategic policy initiatives speak to transparency, including Zimbabwe’s new Constitution, the Zimbabwe Agenda for Sustainable Social and Economic Transformation (ZIMASSET), as well as the forthcoming Corporate Governance Code of Conduct. Thus any new transparency initiatives should make sure they are aligned with these higher-level policy initiatives.

Recommendations

The following recommendations are designed to move Zimbabwe towards increased transparency in the mining sector. They recognize that the process will be incremental and will need to obtain buy-in from multiple stakeholder constituencies who may all have varying levels of interest or objectives when it comes to implementing any transparency initiative.

There needs to be a platform for dialogue created to build trust among the various players, starting from a common knowledge about how the industry works, including sources and uses of mining revenues. It has been recommended by a number of stakeholders that any forum created must avoid tackling specific issues or problems, especially contentious ones, at first, and that it serves instead as a vehicle for knowledge exchange and trust-building among key mining sector stakeholders.

Convene a small (initially) Multi-stakeholder Working Group

This platform could start as a small working group convened to talk about mining operational and financial mining facts, with the primary initial goals of sharing and growing a common information base about the industry among key players as a stepping stone to trust.

One way to initiate such a discussion, in an atmosphere that is not colored or dominated initially by one stakeholder agency's views, would be to have a research-oriented organization, such as the Institute of Mining Research, convene the working group. A number of stakeholders interviewed for this report suggested IMR would be a good apolitical entity to organize and mediate such a knowledge-sharing forum. Having IMR initiate the forum also may be a way to overcome the apparent inertia within the Mines Ministry itself, which has expressed interest in enabling transparency, but has yet to initiate any major multi-stakeholder transparency-related initiatives of its own.

The initial goals of the working group should be to gather and share information on how the mining sector functions. This could be done through meetings convened to discuss specific topics, with experts presenting information for review and discussion by the group. This working group could be convened by the IMR, which has good working relations with both government and the private sector, with participation by key representatives from Ministries and the Chamber of Mines.

It is recommended that the working group be kept small at first, focusing on a few key government ministries, with industry participation coordinated through the Chamber of Mines, to avoid it becoming too cumbersome. Participants could include representatives of the Ministry of Mines and Mining Development, Ministry of Finance and Economic Development, Zimbabwe Revenue Authority (ZIMRA), Reserve Bank of Zimbabwe (RBZ), and the Institute of Mining Research, as well the Chamber of Mines. Other mining sector stakeholders, including Parliamentary representatives, the Association of Small-scale Mines, Association of Rural District Councils of Zimbabwe, etc. and civil society) could be invited to join the discussion forum later. While initial meetings might include senior-most ministerial leaders (e.g. Ministers, Permanent Secretaries) to set the tone for collaboration, the goal would be to convene those managers who work on technical issues related to the mining sector within or across ministries and industry.

Initial knowledge-sharing and discussion topics could include:

- The mining life cycle, from exploration through development and construction, to operations, closure and post-closure.
- Financial flows within the mining sector, including how a mining company finances its activities, cost and revenues associated with operations, and financial reporting requirements within the company (e.g. to management and shareholders) and to and among government agencies.
- Environment and social issues and opportunities, and related roles and responsibilities of mining companies, government and civil society.
- “Process” issues and techniques related to how potentially contentious issues can be discussed in inclusive, participatory, and non-confrontational ways.

These working group discussions could progress from the very general case initially to ones that focus on an specific aspect of the industry (e.g. technical aspects related to the mining of a specific mineral, beneficiation, transfer pricing, environmental or social issues arising from a particular type of mining (large-scale vs. artisanal mining), etc.).

Other topics that could be raised as the working group evolves might include:

- Information sharing and interpretation of published mining information
- Understanding transfer pricing, thin capitalization, re-invoicing and other transactions between related parties
- Demonstration of the benefits of transparency and accountability through the use of case studies from other African countries and beyond

Literacy Guides and other non-technical information

Alongside these knowledge exchange and capacity-building forums, the working group can oversee or support development of simple primers or literacy guides on three general topics: mining operations, mining finances, environmental and social responsibility. These would be fact-based, mostly non-technical information (with technical annexes for additional references). The goal is to provide factual information for technical and non-technical audiences alike, including government officials and the general public, on how the industry works. As with the working group discussions, these basic overview documents could be later supplemented by other primers developed to provide more detailed information on specific minerals or mining processes, or more in-depth explanations of financial, environmental and/or social issues.

Working Group-led Workshops

Once a common knowledge base is established among the working group members, these discussions could be expanded in the form of forums or workshops to be developed and facilitated by the working group, and open to larger audiences within the sector. The literacy guides and other informational

materials developed within or for the working group meetings could then become the basis for broader dissemination and discussion of issues.

In order for the above approach to work, it is recommended that the initial discussions should be focused on facts and evidence-based discussions about basic operational details of the sector, soliciting views from industry and government with an eye towards reaching consensus on the basic operational aspects and drivers of the sector and industry and government's role in it.

To this end, it is recommended that working group meetings and forums stay away from the most contentious aspects of the mining sector transparency initially, focusing on factual information and the parts of the industry that are already relatively transparent and open to dialogue, such as the practices of large world class mining operators active in Zimbabwe, as well as international best practices, etc. Detailed discussions about the diamond industry, mining sector corruption, mining sector reforms, participation in international initiatives such as EITI, etc. should not be the initial focus of the working group meetings and forums, although these issues could be raised and tabled for future discussion.

It is important to point out that this initiative is focused on information and knowledge-sharing, and that at least initially the working group is not intended to be responsible for formulating policy or strategy. Ideally the group would create a common knowledge base and safe space to facilitate discussion of possible future policy reforms, but these may be better addressed in the proposed think tanks or other targeted task forces that may be created by government and industry to address specific challenges.

An information dissemination strategy that includes the literacy materials, workshops and possibly other communications tools should be developed to encourage the broadest possible dissemination of basic information on the mining sector.

Longer-Term Objectives

Ultimately the longer-term goal of the above activities is to build trust among key stakeholders within the working group and larger forums to enable frank but non-confrontational discussion of critical mining sector transparency and accountability issues within a broad multi-stakeholder framework. Whether this framework ends up being entirely Zimbabwean in format and focus, or if it leads eventually to consideration of membership in EITI is less important than the need to begin the process of fostering constructive dialogue on improving mining sector transparency.

Suggested Path Forward

1. Share this assessment with stakeholders to solicit feedback on the proposed approach, including IMR, Ministry of Mines, MOFED and key private sector representatives, including the Chamber of Mines.
2. Formally present the concept to the Ministry of Mines and Mining Development and Ministry of Finance to gain their support and buy-in.
3. Develop terms of reference and a scope of work for establishing the initial working group, including participation, short and long-term objectives, outputs, timetable, etc. This could be done by an

independent consultant who is knowledgeable with the Zimbabwe mining sector, key issues and stakeholders. Activities or themes to be covered by the TOR or SOW might include:

- Convene the working group and begin internal information sharing sessions
- In parallel, develop primers or other information to be shared with the working group and eventually to broader audiences
- Working group to organize workshops or other forums to share and disseminate information to broader group of industry stakeholders.
- Develop an information dissemination strategy to ensure broad and ongoing dissemination of information via a variety of media (primers, brochures, Website, newspaper articles and op-ed pieces, radio, TV, seminars, workshops, etc.) about the sector to key stakeholder and to the general public.
- Periodic (annual) reviews of working group and larger forum objectives and activities to assess performance, lessons learned and possible evolution of the group's mission and approach

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ZMRT Secretariat, ZMRT National Workplan for Period July 1, 2011 to June 30, 2013 - Discussion Draft. January 2012.

Annex: Stakeholders Consulted

(23 June – 4 July 2014)

Venue	Name/Title/Organization
Mon 23 June 2014	Joshua Smith, Economist, USAID Rachel Meyers, Counselor for Political and Economic Affairs, US Embassy Phil Johnston, Economic Advisor, DFID Ashok Chakravarti, Senior Economic Adviser, SERA Daniel Ndlela, SERA Program Chief of Party, Nathan Associates, Inc.
Mon 23 June	Zimbabwe Environmental Law Association Mutuso Dhliwayo, Executive Director Shamiso Mutisi, Head of Programmes Veronica Zano, Legal Officer
Tue 24 June	Zimbabwe Artisanal & Small Scale for Sustainable Mining Council Wellington Takavarasha, Tailes Bwerinofa
Tue 24 June	Isaac Kwesi, Acting Chief Executive Officer , Chamber of Mines of Zimbabwe (COMZ)
Wed 25 June	Fani Munengani – Member of Parliament and Member of Portfolio Committee on Mines and Energy
Wed 25 June	Seedwell Hove, Economist, World Bank Zimbabwe Country Office
Wed 25 June	Herbert Mashanyare, Executive Director, Mimoso Mining Co (also Chair of Chamber of Mines Platinum Producers Committee)
Wed 25 June	Transparency International Zimbabwe Mary-Jane Ncube, Executive Director Themba Mahleka, Senior Legal Officer
Wed 25 Jun	Senior manager, ZIMRA (requested anonymity)
Thu 26 Jun	Dr. Elias Matinde – Director Metallurgical Research Institute, Scientific & Industrial Research Centre, Independent Expert
Fri 27 June	Innocent Madziva – Chief Economist, Ministry of Finance (also Ministry point person on ZMRTI in past and current transparency initiatives)
Fri 27 June	Andrew du Toit, GM New Business Development, Zimbabwe Platinum Mines (Pvt) Ltd (Zimplats)
Fri 27 June	Reserve Bank of Zimbabwe Dr. Kupukile Mlambo, Deputy Governor Farai Masendu, Senior Executive, Foreign Investment Facilitation Exchange Control
Sat 28 June	David Mupamhadzi, Board Member, Zimbabwe Investment Authority

Venue	Name/Title/Organization
Mon 30 June	Mellanie Chiponda, Projects Coordinator, Chiadzwa Community Development Trust
Mon 30 June	Martin Lokanc – Mining specialist, World Bank (phone interview)
Tue 1 July	Monica Gatora – Taxation expert, Deloitte & Touche
Tue 1 July	Hon. Fred Moyo – Deputy Minister, Ministry of Mines and Mining Development
Tue 1 July	Divine Ndhelukula, Managing Director Securico; also Chair of Chamber of Mines Joint Suppliers Committee
Wed 2 July	Mr. Temba M. Hawadi, Director, Zimbabwe Geological Survey, Ministry of Mines and Mining Development
Wed 2 July	Isaac Kwesu, Acting CEO, COMZ (follow-up meeting)
Thu 3 July	Breakfast Presentation on taxation policy model, at Norwegian Ambassador's residence Norwegian Ambassador Andrew Rendall, Senior Economist, ECON Oil & Gas (Consultant)
Thu 3 July	Fidelity Printers and Refiners Alen Marimbe, CEO Godknows Hofisi, COO and Finance Director Fradreck Kunaka, Director Gold Operations
Thu 3 July	Centre for Natural Resource Governance Farai Maguwu, Executive Director Tafadzwa Linda Kuheya, Programmes Manager
Thu 3 July	SAPES Policy Dialogue Forum on Mining Sector Transparency with Isaac Kwesu (Chamber of Mines) Mutuso Dhliwayo (ZELA), Dr. Phineas Kadenge, others
Thu 3 July	USAID Consulting Mission Debriefing Dan Ndlela, SERA Program Chief of Party, Nathan Associates, Inc. Ashok Chakravarti, Senior Economic Adviser, SERA Joshua Smith, Economist, USAID Rachel Meyers, Counselor for Political and Economic Affairs, US Embassy D. Bret Corby, Political Officer, US Embassy
Fri 4 July	Phineas Kadenge, Chairman, Dept. of Economics, University of Zimbabwe, and World Bank consultant