

TRACING PROGRESS TOWARDS REVENUE TRANSPARENCY AND REVENUE SHARING IN THE ZIMBABWE EXTRACTIVES SECTOR 2013-2019

ZIMBABWE CASE STUDY

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PUBLISH WHAT
YOU PAY



PWYP ZIMBABWE CASE STUDY

Tracing progress towards revenue transparency and revenue sharing in the Zimbabwe extractives sector (2013-2019)

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ACRONYMS

AFRODAD	African Coalition on Debt and Development
AMI	Alternative Mining Indaba
CBO	Community-based organisation
CSI	Corporate social investment
CSOTs	Community share ownership trusts
DEP	Data Extractors Project
EITI	Extractive Industry Transparency Initiative
IEE	Indigenisation and Economic Empowerment Act
IIED	International Institute for Environment and Development
LOCI	Local open contracting initiative
MMCZ	Minerals Marketing Corporation of Zimbabwe
MMMD	Ministry of Mines and Mining Development
MRCDT	Mhondongori Resources Community Development Trust
OAG	Office of the Auditor General
PWYP	Publish What You Pay
RBZ	Reserve Bank of Zimbabwe
RDC	Rural District Council
SOEs	State-owned enterprises
ZCC	Zimbabwe Council of Churches
ZCDC	Zimbabwe Consolidated Diamond Company
ZELA	Zimbabwe Environmental Law Association
ZESA	Zimbabwe Electricity Supply Authority
ZIMCODD	Zimbabwe Coalition on Debt and Development
ZIMRA	Zimbabwe Revenue Authority
ZMRTI	Zimbabwe Mining Revenue Transparency Initiative

1. INTRODUCTION AND COUNTRY CONTEXT

The advocacy campaign by Publish What You Pay (PWYP) Zimbabwe aiming to influence mining revenue transparency and benefit sharing in the extractives sector in Zimbabwe is the focus of this case study. PWYP Zimbabwe was created in 2011, coincidentally this same year the Government of Zimbabwe came up with regulations for establishing community share ownership trusts (CSOTs)—the primary tool for delivering benefits at the local level in mining communities—and the Zimbabwe Mining Revenue Transparency Initiative (ZMRTI). These momentous developments, without a doubt, heavily shaped the PWYP Zimbabwe advocacy campaign.

The push for transparency has predominantly been a two-pronged battle. Firstly, the campaign sought to use data already in the public domain to bolster public demand for improved transparency and accountability and, to this effect, the Data Extractors Project (DEP)³ initiated by PWYP International gave some traction to this advocacy endeavour. The campaign relied on data extracted from various publications including reports of the Office of the Auditor General (OAG), national budget statements, audited integrated annual reports generated by mining companies listed on stock

exchanges, and monetary policy statements. Secondly, over the last decade, the campaign consistently exerted pressure on government to either resuscitate ZMRTI or join the Extractive Industries Transparency Initiative (EITI).

In addition, outside the overall push for transparency within the mining sector, the campaign focused on CSOTs, calling for enhancing community participation, the tightening of regulations to make the schemes mandatory, and transparency and accountability in CSOT management. An ever-changing policy environment meant the campaign recorded both progress and regression in its quest to push for transparency and enhanced community benefit from mining through CSOTs. To date, Zimbabwe has yet to join EITI or resuscitate ZMRTI. However, the sustained public discourse on EITI and a reignited interest in joining the organisation remain notable achievements of this resilient and increasingly nimble campaign. Determined to implement the “Zimbabwe is Open for Business” approach since November 2017, the new government reversed the Indigenisation and Economic Empowerment (IEE) framework which made foreign investment⁴ in the mining sector in Zimbabwe comparatively unattractive. This

3 For more information on the DEP see: <https://www.pwyp.org/data-extractors-programme/>

4 The policy also made it mandatory for foreign-owned businesses with over \$1 net asset value to cede 51% equity stakes to Indigenous Zimbabweans (<https://globalriskinsights.com/2019/12/zimbabwes-president-mnangagwa-one-year-later/>)

reversal has also left the mining communities with no legal avenue for revenue sharing between themselves, the government and the mining companies as this reversal rendered contributions to CSOTs non-binding and optional, causing them to become ineffectual. The outcome is that CSOTs no longer have a legal foundation and the government is now calling for a new empowerment framework for mining communities. In addition, the government also reduced the tax royalties for diamond⁵ and platinum⁶ mining companies effectively resulting in loss of tax revenue for the government. The campaign's focus on mining transparency and accountability issues remains as critical as ever. With immense mineral wealth potential⁷, mining could be leveraged to support Zimbabwe's economic recovery, stabilisation and growth agenda⁸. The proportion of overall economic output due to mining has grown since the collapse of agriculture, a traditional anchor of the Zimbabwean economy, due to the land reform programme in 2000. The mining sector contributed US\$2.9 billion, accounting for 60% of the country's total export earnings in 2018⁹. Mining formally employs around 35,000 people, of which 99% are indigenous Zimbabweans, an average of 75% are from nearby communities—just 7% are female¹⁰. Despite having a widely diverse mineral wealth portfolio, mining sector output is dominated by six minerals. Gold, platinoids, diamond, nickel, chrome and coal accounted for 95% of the mineral value generated in 2018¹¹. Increased global attention on clean energy has also elevated lithium's prospects, possibly contributing to mining sector growth in Zimbabwe in the future¹².

1.1 Zimbabwean legal and institutional framework for benefit sharing

The right of communities to benefit from resources in their localities is enshrined in the Zimbabwean Constitution¹³. Government has devolved certain powers and responsibilities of central government to local administrations at the centre of the development agenda as required by Section 264 of the Constitution¹⁴. Under the devolution agenda, there is a provision for revenue-sharing arrangements between central and local tax authorities. The Constitution dictates: "Not less than five per cent of the national revenues raised in any financial year must be allocated to the provinces and local authorities as their share in that year"¹⁵. There currently is no specific arrangement for revenue sharing between central government and resource-rich localities. However, under Section 276 (2) (b) of the Constitution: "an Act of Parliament may confer functions on local authorities, including (...) a power to levy rates and taxes and generally to raise sufficient revenue for them to carry out their objects and responsibilities". The fact that the Constitution says an Act of Parliament "may" confer fiscal powers to local authorities leaves a leeway for central government to either choose the route of fiscal decentralisation or not.

The Constitution adopted in 2013 provides for revenue-sharing arrangements. However, it took six years for the Treasury to make a provision for distributing at least 5% of nationally generated revenue to provincial and local authorities. The 2019 national budget statement

5 <https://www.ebusinessweekly.co.zw/mining-sector-incentives-to-promote-new-investment/>
6 <https://www.newsday.co.zw/2019/08/how-zimbabwes-new-fiscal-regime-impacts-on-mining-sector/>

7 Zimbabwe is highly rated in terms of mineral wealth potential according to 2018 Annual Survey of Mining Companies conducted by Fraser Institute <https://www.fraserinstitute.org/studies/annual-survey-of-mining-companies-2018>

8 Mining is one of the growth engines for the Government vision of becoming an upper middle income economy by 2030.

9 The Chamber of Mines of Zimbabwe, Annual Report 2018.

10 The Chamber of Mines of Zimbabwe, State of the Mining Industry 2018 report. <http://chamberofminesofzimbabwe.com/wp-content/uploads/2019/05/2018-State-of-the-mining-industry-2018-report-prospects.pdf>

11 Ibid.

12 <https://www.reuters.com/article/zimbabwe-mining/update-2-zimbabwe-has-potential-to-meet-20-pct-of-global-lithium-demand-idUSL8N1QI2ID>

13 Constitution of Zimbabwe, 2013, Section 13(4) National Development.

14 The 2019 theme for celebrating independence was "Zimbabwe at 39, embracing devolution for vision 2030."

15 Constitution of Zimbabwe, 2013, Section 301 (3).

allocated \$310 million to provincial and local authorities. On the ground, some service-delivery points like schools and clinics are not aware of how they are supposed to benefit from the revenue-sharing arrangements between central government and local governments¹⁶. Perhaps it is too early to judge, but a big challenge lies ahead for civil society, especially the PWYP campaign, to ensure transparency, accountability and citizen participation in the management and utilisation of devolution funds.

The Rural District Councils Act (RDC Act) and the Mines and Minerals Act contain fiscal tools to ensure that local authorities benefit from mining activities in their localities. A huge impediment remains the regressive nature of these tax instruments, however. For instance, manual labour is used as a basis of calculating taxable units of the mining enterprises according to the RDC Act¹⁷. The first 100 manual labourers equate one unit, and thereafter, every 50 labourers equate to one unit. This rate is set annually through public local budget consultations and the formulation is then applied to the number of units to determine the accruable local mining tax revenue. In a world impacted by the fourth industrial revolution, defined as production driven by automation instead of labour¹⁸, a labour-denominated tax instrument is therefore inappropriate. This partly explains the struggles faced by local governments in areas rich in resources to optimise local tax revenue from mining operations¹⁹. Another hurdle is the lack of tax transparency. The central government has made contradictory statements on mining sector transparency reforms, particularly the adoption and implementation of EITI²⁰. Therefore, information of what is paid to various

government institutions by mining companies and what is received by government institutions from mining companies is not publicly available. As a result, communities in resource-rich areas are denied the opportunity to assess and claim a fair share of revenue from mining operations in their localities. While this is the general rule, isolated cases of mining tax transparency are found courtesy of mandatory disclosure rules for companies that are either registered or listed on stock exchanges in Canada, the United Kingdom and European Union. For instance, information on payments made to various government institutions by the likes of Caledonia's Blanket Mine can be accessed²¹.

1.2 Community share ownership trusts (CSOTs) as revenue-sharing mechanisms

When government enacted the Indigenisation and Economic Empowerment (IEE) Act in 2008, CSOTs were not included in the package for transferring 51% equity for foreign-owned companies in the hands of indigenous players. In the quest to address broad-based empowerment deficits in the IEE Act, CSOTs were established through IEE regulations in 2010. The purpose of CSOTs has been to advance the rights of communities in resource-rich areas to benefit from local economic and social development efforts financed by revenues from the resource-extraction activities taking place in their localities²². Through this arrangement, foreign-owned companies involved in the mining sector were required to cede 10% equity to the local community. The regulations fell short, however, when it came to compulsory distribution of 10% shares to CSOTs as part of the 51% indigenisation threshold.

16 During a gold rush in Bubi district of Matabeleland North province, ZELA noted that Lonely Primary School was not aware of local service delivery funds available through revenue-sharing arrangements between national and local governments <https://newswire.live/feature-i-have-lost-my-home-latest-bubi-gold-rush-reveals-need-for-mining-reform/>
17 15 October 2019, The Herald, "The minerals of hope (...) US\$12 billion mining sector target to change the nation's fortunes, <https://www.herald.co.zw/the-minerals-of-hope-us12bn-mining-sector-target-to-change-nations-fortunes/>
18 In Mali, a fully automated underground mine commenced production in 2018. <https://www.mining-technology.com/features/sizing-syama-worlds-first-fully-automated-mine/>
19 The Zimbabwe platinum industry is fairly mechanised <https://www.newsday.co.zw/2019/06/talking-points-on-platinum-symposium/>
20 <http://www.zela.org/from-zimbabwe-mining-revenue-transparency-initiative-to-the-extractive-industries-transparency-initiative/>

21 <https://www.caledoniamining.com/wp-content/uploads/2019/02/ESTMA-2017.pdf>
22 Indigenisation and Economic Empowerment (General) Regulations, 2010 (SI 21 OF 2010).

The definition of a “local community” is always a subject that spurs a heated debate as the term is defined differently by various stakeholders. For example, the multi-national company Anglo-American that runs Unki Mine have defined a local community as one present within a 60-km radius for corporate social investments (CSIs)²³. But government defines the hosting administrative district as the local community under the CSOTs. In cases where mining claims are contiguous, the local community is expanded to include such districts in which a mining company owns claims regardless of whether the claims are being worked on or not. This has led to ongoing contestations. However, the ways that different social groups within communities can access mining benefits from CSOTs is not covered by regulatory instruments and hence is not explicit. Representatives of marginalized groups in society such as women, youth and people living with disabilities, it is important to note, are included on the board of Trustees of CSOTs.

The reversal by the government of the IEE framework, has removed the legal backing for CSOTs. Indigenisation requirements for all minerals sectors outside platinum and diamond were scrapped with the 2018 Finance Act²⁴. Recent proposals included in the 2019 midterm budget review statement and supplementary budget that have confirmed an end to the IEE framework. The platinum and diamond sectors, which were the only remaining sectors for which CSOTs were legally binding, have now had their compliance obligations ended²⁵. A proposal was made in the 2019 mid-term budget review to formulate a new empowerment framework. Civil society, particularly PWYP members, have been pushing for policy and practice reforms to improve the local economic and social development impact of CSOTs. This work has been precipitated by the government’s thrust to open the mining sector for investment, taking a pro large-scale investor stance in the process and disregarding the constitutional right of communities to benefit from resources in their localities. Whilst CSOTs have had implementation challenges²⁶, the principle behind CSOTs is undoubtedly noble. Tangible linkages between mineral exploitation and LESD were witnessed in the platinum sector, for example, as a result of the CSOT arrangements²⁷.

23 <http://www.zela.org/download/investigating-financial-investments-in-corporate-social-responsibility-activities-community-share-ownership-schemes-trusts-and-the-impacts-of-mining-on-communities-at-unki-mine-anglo-american/>

24 http://veritaszim.net/sites/veritas_d/files/finance%20act%202018.pdf

25 Treasury, 2019 Midterm Budget Review Statement

26 Only two out of 61 established CSOTs received share certificates: the Gwanda and Umguza CSOTs.

27 <https://mukasirisibanda.wordpress.com/2019/05/14/zvishavane-community-share-ownership-trust-uncertainty-what-you-need-to-know/>

2. DESIGN OF SUB-NATIONAL SYSTEM FOR REVENUE COLLECTION

Because mineral rights are owned by the Zimbabwean Government, mining tax revenues accrue to the central government. RDCs in resource-rich areas have limited legal and political leeway to collect revenue from mining activities in their areas. Local mining taxes are collected through land development levies according to the RDC Act. The levies are computed differently for precious metals versus low-value minerals. On tax revenue collections by the central government, mineral sales are primarily conducted by the Minerals Marketing Corporation of Zimbabwe (MMCZ) other than for gold and silver that fall under the authority of the Reserve Bank of Zimbabwe (RBZ). MMCZ and RBZ collect royalties on behalf of the Zimbabwe Revenue Authority (ZIMRA). A marketing commission of 0.0875% is charged by MMCZ on total invoice value. Other taxes like the corporate income tax, withholding taxes, customs duties and Pay-As-You-Earn (PAYE) taxes are paid directly by the concerned mining entity to ZIMRA. Other payments go directly to specific authorities: licensing fees to the Ministry of Mines and Mining Development (MMMMD), the rural electrification levy to the Zimbabwe Electricity Supply Authority (ZESA) and the local unit tax to local governments²⁸.

As explained above, the Constitution of Zimbabwe, Section 301 (3) states that not less than five per cent of the national revenues raised in any financial year must be allocated to the provinces and local authorities in that year. Sub-national revenue mechanisms in the mining sector in Zimbabwe are regulated by the Constitution through the Public Finance Management Act and the respective local authorities that are governed by the Rural District Councils Act. Prior to the new 2013 Constitution, revenue-sharing mechanisms with a direct link to the extractives sector in the form of CSOTs were established as a result of the IEE regulations of 2010. The Ministry of Finance and Economic Development (MoFED) is responsible for collecting and effecting the aforementioned sub-national payments on behalf of the Government of Zimbabwe (GoZ). ZIMRA has the mandate on behalf of MoFED to administer tax revenues from the different players in the extractives sector through the various taxes such as royalties, the PAYE tax, the capital gains tax, income tax and others. These revenues are then allocated by MoFED annually through national budget allocations as governed by the Constitution and Public Financial Management Act.

There are no specific regulations on gender representation or other social differentiation in the bodies in charge of spending sub-national revenue in Zimbabwe. In the absence of these regulations, women and minorities are not fairly represented and both politicians and mining companies maximise their own benefits from mining operations. There are, however, regulations that require the government to share revenues with provinces and local authorities in a given fiscal year, as shown above. Revenue is then expected to be to the benefit of all social groups through improved service delivery. CSOTs were also established with the hope that they too would be able to receive a share of the revenues from mining activities in their districts and then use those resources to conduct

activities and projects that benefit people in the districts on a regular basis. The data on subnational payments is not published regularly in Zimbabwe because the government has no regulations that compels itself or the mining companies to publish their revenues and how they were spent. Zimbabwe is not yet part of EITI, although the government has expressed a strong interest in joining in their 2019 budget announcements following the advocacy work of PWYP Zimbabwe. This approach to financial transparency and revenue sharing will become more institutionalised if the government pursues fiscal decentralization as part of the process of devolution (Section 264) when the existing laws on devolution are harmonised.

3. METHODOLOGY

This case study was developed with data that was collected using a qualitative methodology comprised of key informant interviews in addition to a literature review of existing evidence on transparency and revenue sharing in the extractives sector in Zimbabwe. A questionnaire loosely guided key informant interviews. Data was collected from key

actors and stakeholders that contributed to the work in person and on Skype, WhatsApp and by telephone. See the list of actors and stakeholders interviewed in October and November 2019 for this case study in Annex 2. Core themes, issues, and trends were identified to examine progress and achievements of the PWYP Zimbabwe advocacy campaign.

4. PURPOSE AND DESIGN OF THE PWYP ZIMBABWE ADVOCACY CAMPAIGN

The ongoing PWYP Zimbabwe advocacy campaign, which started in 2011, was multi-pronged, targeting the most important stakeholders within the extractives sector: the government, parliament, CSOTs, local authorities and the respective mining communities in Zimbabwe. The campaign focused on fiscal transparency, fiscal decentralization and public-expenditure tracking. Mining in Zimbabwe is booming, but this boom is largely disconnected from the fates of mining communities who remain badly in need of investment in public services. The government and mining companies were instrumentalizing voluntary Corporate Social Responsibility (CSR) campaigns in the areas where their mining operations were located. The work of PWYP Zimbabwe promoted the operationalisation of CSOTs, transparency, public participation and accountability in the management of CSOTs to entrench local benefits from mining in policy and practice.

PWYP Zimbabwe did not have a formal campaign uniquely focused on the sharing of mining revenues in Zimbabwe. This work was instead part of the larger programme on decentralized fiscal governance. One of the

major thrusts of the PWYP Zimbabwe advocacy campaign has involved the adoption of the EITI, the global standard for promoting open and accountable governance of oil, gas and minerals.

In Zimbabwe, there is limited public access to information like mining contracts, mining tax revenues and expenditures, environmental impact assessments, and corporate social investments. The mining title management system is outdated. The new Constitution, adopted in 2013, does, however, include key provisions that require transparency in the mining sector. Examples include Section 315 (2) (c) that requires an Act of Parliament to guide negotiation and performance monitoring of mining agreements for the purposes of ensuring transparency, honesty and competitiveness. Section 298 (1) (a) of the Constitution encourages transparency and accountability in public financial management. Critically, Section 13 (4) on national development compels the implementation of mechanisms to ensure that communities benefit from resources in their localities. These constitutional sections provided support to PWYP campaign's demands for greater transparency in the mining

sector, including the rights of communities to commensurately benefit from mining activities in their localities. On gender inclusion, the PWYP campaign drew inspiration from the Section 17 of the Constitution, which calls for promoting full gender balance in Zimbabwe with a role for the State in taking “positive measures to rectify gender discrimination and imbalances resulting from past practices and policies”; promoting “full participation of women (...) on an equal basis as men”; taking measures to ensure equal representation of women in government agencies and institutions, and also taking practical steps to ensure that women have access to resources.

Despite these progressive constitutional provisions, harsh gender realities confronted the PWYP campaign since many CSOTs were male-dominated structures. For example, trustees were picked from among traditional chiefs who are primarily male, although membership was meant to be inclusive. However one representative each from marginalized groups (women, youth and people living with disabilities) was indeed accommodated on the board of trustees for CSOTs to ensure fair representation. In most instances, public service delivery initiatives undertaken by CSOTs were gender responsive. Investments were made in clinics, maternity wards, “waiting shelters²⁹” and boreholes, all of which are areas that benefit women.

²⁹ Places where pregnant mothers normally stay at the clinic or hospital when their time of delivery is approaching because of long distances to the nearest health facilities that they could not cover in time when delivery begins.

5. THE PWYP ZIMBABWE ADVOCACY CAMPAIGN (FROM 2011 TO DATE)

5.1 Mining sector transparency reforms

Generally, the mining sector transparency framework in Zimbabwe fails to meet even the minimal requirements established by globally accepted standards like EITI. As a result, citizens and civil society lack the information leverage to effectively ask government and corporations hard questions on how their resources are managed to deliver an optimal national development dividend. Given this situation, the PWYP Campaign took a two-pronged approach as early as 2012. Firstly, PWYP Zimbabwe sought to push for the adoption and implementation of EITI or its domestic version, the Zimbabwe Mining Revenue Transparency Initiative (ZMRTI), which failed in 2011 due to unwillingness of the government to implement it. Secondly, a strong appreciation of data that is already in the public domain that can be useful to generate some traction on citizen participation and demand-driven accountability. This was also a response to strong allegations from some quarters of industry who insinuated that there is a wealth of information but poverty of attention

among civil society actors. In October 2013, Zimbabwe Environmental Law Association (ZELA) produced a ground-breaking report on following the flow of Marange diamond mining revenue to the national purse³⁰. The report triangulated and analysed data from public sources like MMCZ, Kimberly Process, national budget statements, the Office of the Auditor General (OAG) reports, and the Zimbabwe National Statistics Agency (ZIMSTAT). This was then followed up by analyses of the reports generated by OAG in 2014. In 2015, PWYP received a boost on two fronts. The Strategic Economic Research Analysis (SERA) undertaken by USAID through ZELA produced a report that painted a consolidated picture on data from a variety of sources that CSOs can leverage for accountability³¹.

The Data Extractors Project (DEP) initiated by the PWYP campaign globally provided a springboard for this advocacy. In Zimbabwe, ZELA was the implementor of the DEP project. DEP equipped participants with skills to dig into, analyse and use data to back up advocacy messages for improved transparency and accountability in the extractive sector. More importantly, DEP was cascaded down to community-based organisations (CBOs) in

³⁰ Mukasiri Sibanda and Gilbert Makore, October 2013, https://www.slideshare.net/ZELA_infor/tracking-the-trend-an-assessment-of-diamond-mining-sector-tax-contributions-to-treasury-with-particular-reference-to-marange-diamond-fields

³¹ Mukasiri Sibanda and Gilbert Makore, 2015, Mineral Revenue Disclosure and the Information Needs of Various Stakeholders <https://www.worldcat.org/title/mineral-revenue-disclosure-and-the-information-needs-of-various-stakeholders-a-gap-analysis/oclc/982373416>

the mineral-rich areas of Gwanda, Mutare, Shurugwi and Zvishavane. Led by ZELA, the PWYP campaign was instrumental in making use of the reports generated by the OAG, mainly on State-owned enterprises (SOEs) in mining, national budget statements, integrated annual reports generated by listed companies, voluntary disclosures, and data from mandatory disclosures for mining companies listed in Canada and the European Union.

5.2 Using already existing data to fuel the transparency campaign

Cognisant that the State has a significant footprint in the mining sector, the PWYP campaign leveraged OAG reports on mining SOEs to gain insight on transparency and accountability issues. The main mining SOEs in Zimbabwe are Zimbabwe Mining Development Corporation (ZMDC) and the Minerals Marketing Corporation of Zimbabwe (MMCZ), both are creatures of statute.

By scrutinizing these documents, a major revelation was that the OAG reports were useful in exposing the corruption within state institutions in charge of the mining sector, even though the story of Marange diamonds is heavily punctuated by opaqueness³². Although mining agreements are not publicly accessible in Zimbabwe, the OAG reports unearthed some of the key terms and conditions that were being breached. Key examples include failure by the government's joint venture partners in Marange to inject the agreed capital amounts; government not appointing its representatives to the boards of Marange Diamonds' joint ventures; incomplete audited financial statements; and failure to pay taxes.

In addition to the OAG reports, the PWYP campaign analysed national budget statements,

monetary policy statements and tax revenue performance reports generated by ZIMRA, the country's tax administrator. Such analyses were used to craft data-driven advocacy messages on mineral revenue transparency and accountability. Some of the key highlights include:

- **Disclosure of mining tax contributions.** Consistent messages were delivered orally and in written format³³ by ZELA during public pre-budget consultations (2012-2019), stating that the budget must shed light on contributions made to the national purse by the country's huge mineral wealth portfolio. There were clear demands that disclosures must be further disaggregated to show the performance of each major mineral asset: platinum, gold, diamonds, nickel and chrome.
- **Disclosure of tax incentives or tax revenue foregone** in the quest to attract investment in the mining sector. Because Zimbabwe is considered to be an unattractive investment jurisdiction even with an undoubted mineral wealth potential, giving overgenerous tax incentives that erode government's fiscal capabilities is a huge challenge. If tax incentives are publicly disclosed, citizens have a basis to increase pressure on government to produce a cost-benefit analysis – creating necessary conditions for a national discussion on reducing tax incentives. Using a comparative data analysis, the Mukasiri Sibanda, a PWYP data extractor and ZELA's economic governance officer, unearthed the fact that RBZ's export incentives from 5 May 2016 to 31 December 2017 reduced revenue from mineral royalties by 86%³⁴. Mineral royalty revenue income is the only predictable and reliable source of fiscal income from mining. This income stream is also less susceptible to tax evasion

32 <https://www.thestandard.co.zw/2014/08/03/anjin-shareholder-remains-mystery/> and <https://www.theindependent.co.zw/2014/07/25/zmdc-must-value-marange-diamond-reserves/>

33 <https://newswire.live/opinion-the-2020-budget-and-mining-time-to-walk-the-talk-on-transparency-communities/>

34 <https://www.thezimbabwemail.com/business/zimbabwe-not-give-mining-companies-export-incentive/>

compared to other types of tax revenue. Commendably, in the 2019 National Budget Statement, the government agreed to publicly disclose, monitor and evaluate the cost of tax incentives. So far, only tax incentives associated with customs duties have been disclosed in the 2020 National Budget Statement.

- **Revenue-sharing arrangements between the national and subnational governments.** With a Constitutional basis in Section 301 (3), the PWYP campaign demanded that the national budget allocate at least 5% of national revenue generated in one fiscal year to provincial and local governments. Although the new Constitution was ratified in 2013, it took five years for the national budget to accommodate revenue-sharing arrangements which appeared in the 2019 National Budget Statement. Using quarterly tax revenue performance reports generated by ZIMRA, the PWYP campaign revealed a glaring gap between revenue collection and disbursement. In the first quarter of 2019, only a third of the anticipated national budget revenue was received by ZIMRA³⁵. But even with this reduced income level, no disbursements were made to provincial and local governments.

5.3 Pushing for EITI adoption and implementation

In the last decade, PWYP campaigns in Zimbabwe have been consistently pressuring government to adopt EITI or resuscitate the ZMRTI, a domestic version of EITI³⁶. This was predominantly pursued during pre-budget public consultations, with both oral and written

submissions given to Parliament³⁷. In addition, multi-stakeholder annual platforms at local, provincial and national levels emerged as platforms to raise awareness and to advocate for mining sector transparency reforms³⁸. One example, heavily influenced by the regional Alternative Mining Indaba (AMI), an annual platform inspired by the desire to create space for communities affected by mining in Africa, civil society, and other stakeholders³⁹, is a local AMI. Basically, an AMI is a space for building solidarity, reflecting on community practice to find better pathways to leverage minerals for sustainable and broad-based development⁴⁰. Led by ZELA, CSOs that include the Zimbabwe Coalition on Debt and Development (ZIMCODD), African Coalition on Debt and Development (AFRODAD), and Zimbabwe Council of Churches (ZCC), joined hands to establish the national AMI in 2012. In the following year, the AMI was developed to include mineral-rich provinces. The devolution of the AMI space continued to cover grassroots districts affected by mining activities in 2014. Today decentralized versions of the AMI also take place at Ward⁴¹ level in select mining communities. For administrative reasons, Zimbabwe is divided into provinces, districts, wards and then suburbs (urban areas) and villages (rural areas). There are ten provinces which are subdivided into 67 administrative districts (rural and urban) and 1,958 wards⁴².

The PWYP campaign managed to keep alive the policy dialogue on EITI/ZMRTI from 2011 until 2016, when the National Budget Statements were revealed to contain no mineral revenue transparency reforms. Policy interest in EITI, however, was reignited in 2018. This feat was achieved through blended strategies that entailed the use of champions within the Ministry of Finance, harnessing the power of

35 ZIMRA collected US 2.059 billion first quarter of 2019 against the anticipated annual revenue of US\$6.037 billion set by the 2019 National Budget Statement. 'ZIMRA Revenue performance report for the first quarter of 2019' <https://www.zimra.co.zw/downloads/category/12-revenue-performance-reports>

36 <http://www.zela.org/from-zimbabwe-mining-revenue-transparency-initiative-to-the-extractive-industries-transparency-initiative/>

37 <https://www.sundaymail.co.zw/mining-steps-into-the-future>

38 Lillian Matsika, Veronica Zano, Dorothy Hove and Ronnie Murungu, Community Participation in Natural Resources Governance: An Exposition of the Outcomes of Alternative Mining Indabas in Zimbabwe. Available at: <http://www.ssrn.com/link/OIDA-Intl-Journal-Sustainable-Dev.html> ISSN 1923-6654 (print) ISSN 1923-6662 (online)

39 <http://altminingindaba.co.za/>

40 'Community participation in the governance and overall decision-making process around mineral resources found in their areas was and still remains minimal hence the initiative to have alternative mining indabas'

41 A ward is the lowest and first level of administration where elections are held to elect Councillors that form a Council to help control and manage a local government authority referred to as a 'town council' in urban areas and a 'rural district council' elsewhere.

42 https://www.zimstat.co.zw%2Fsites%2Fdefault%2Ffiles%2Fimg%2Fpublications%2FPopulation%2FNational_Report.pdf

media to call for EITI, along with submissions made to Parliament. Only in 2019 did the PWYP campaign take several steps beyond simply calling for adoption EITI during budget consultations and AMI spaces, producing several papers and organizing a raft of high-level multi-stakeholder meetings on EITI. Among other issues, the papers gave a historical account of Zimbabwe's missteps on joining EITI, why government must join EITI⁴³ and the importance of private sector support on joining EITI⁴⁴.

This created an environment that propelled the EITI leadership, led by its board chairperson, to visit Zimbabwe in October 2019. The global EITI outreach strategy of 2018-2019 prioritised Angola, South Africa and Zimbabwe in Africa noting: "In all three cases, there is renewed interest and potential following recent changes of leadership. Civil society and company efforts will be important." Whilst no tangible gains have been recorded to date on Zimbabwe's quest to join EITI, the resilience of the PWYP campaign is a notable achievement⁴⁵.

5.4 Community share ownership trusts (CSOTs)

In Zimbabwe, mineral rights are vested in the hands of the President on behalf of the citizens. Local communities do not own mineral rights. However, the 2013 Constitution compels the State to put in place mechanisms to ensure that communities benefit from resources in their localities. The path that later led to the establishment of Community Share Ownership Trusts (CSOTs) in mineral-rich districts started with the Indigenisation and Economic Empowerment (IEE) Act [Chapter 14:33]. The thrust behind the IEE Act was to transfer 51% of ownership of all foreign-owned businesses in all economic sectors to Zimbabwean citizens. Tellingly, there was no reference whatsoever

to CSOTs in the IEE Act. CSOTs, as part of IEE requirements, were legislated in 2011 through the amendment of Statutory Instrument 21 of 2010⁴⁶. Even though the regulation stipulated that 10% of the shares of a concerned business entity be transferred to CSOTs for the sake of complying with 51% indigenous ownership, the transfer of shares to CSOTs was not made mandatory. This legal grey area affected the establishment and sustainability of CSOTs from the onset. In this context, PWYP implemented a coordinated campaign based upon research, coalition-building, multi-stakeholder dialogue and engagement with legislators.

The legal groundwork for CSOTs was established in Section 14B of the Economic Empowerment (General) Regulations of 2010 that provide that local communities whose natural resources are being exploited by any "qualifying business" must be guaranteed shareholding in such businesses⁴⁷. CSOTs comprise of a deed of trust presided over by trustees who include community leaders (chiefs and village heads) and local government representatives (local authorities) and various interest groups (women, youth, disabled) in the community, their objectives being to facilitate development and stimulate growth of the local economy. Such objectives include building and maintaining roads, dams, clinics, schools, dip tanks for cattle vaccinations, and promoting self-help, empowerment and skills development projects⁴⁸. By law (Statutory Instrument 114 of 2011), the mining companies were to cede 10% shareholding of the mine to the CSOTs and the revenue was to be transferred to the CSOTs through dividends, but instead the different companies gave the CSOTs financial advances to then be deducted from dividends that would be paid to them over a three-to-five-year period. The CSOTs are run by a secretariat composed of a chief executive officer of the rural district council, a district administrator, a lawyer, an

43 <http://www.zela.org/from-zimbabwe-mining-revenue-transparency-initiative-to-the-extractive-industries-transparency-initiative/>

44 <https://panafricanvisions.com/2019/11/zimbabwes-civil-society-organizations-urge-govt-to-join-the-extractive-industries-transparency-initiative-community-to-curb-illicit-financial-flows/>

45 Several blogs continue to be generated that are keeping alive public conversation on EITI, and meetings on EITI targeting multi stakeholders are in the pipe line: <https://www.newsday.co.zw/2020/02/who-wins-if-zim-joins-eiti/>

46 <https://www.informea.org/en/legislation/indigenisation-and-economic-empowerment-general-regulations-2010>

47 The Indigenisation and Economic Empowerment Act and the Statutory Instrument for Community Share Ownership (2010).

48 Mabhena, C. and Moyo, F. (2014). Community Share Ownership Trust Scheme and Empowerment: The case of Gwanda Rural district, Matabeleland South Province in Zimbabwe. *IOSR Journal of Humanities and Social Science*. 19(1), Ver. XI (Feb. 2014), 72-85.

accountant, special interest groups and a company representative from the mining entity. In addition, the CSOT is required by law to be audited annually by external auditors to ensure transparency and accountability.

Several research papers were produced by PWYP members as part of a process to gather evidence on legislative and practice gaps in Zimbabwe. ZELA produced the first paper that analysed the CSOT policy framework and practice and its implementation by focusing on the Mhondoro-Ngezi CSOT⁴⁹, which was supported by Zimplats mine. A summary of the key findings showed that CSOTs appear to have been established as an afterthought on the part of government as a response to criticism from stakeholders, including civil society. The law did not make it mandatory to transfer 10% shareholding to CSOTs for compliance purposes with the 51% indigenous ownership requirement. Ironically, a true sense of community ownership in CSOTs was non-existent. This was largely because the process was top down—a bipartite arrangement between government and mining companies. Communities were not party to the agreement and their constituent negotiations because this process was tokenistic and meant to benefit mining companies and the government. At community level, traditional leaders were made to sign agreements during public ceremonies but there was no involvement of community representatives during the negotiations to set up the CSOTs. The governance of CSOTs was male dominated although there was an attempt to include one representative each from marginalised groups such as women, youth and people living with disabilities.

The establishment of CSOTs was defined by limited transparency, no community participation and no accountability. The choice of dividends as the sole revenue stream to spearhead local economic and social development (LESD) was questioned. Dividends

are not a sustainable revenue stream because they cannot be awarded when a company is not profitable. Even when profits are realised, it is at the discretion of company directors, not shareholders, to declare dividends as stated in the Companies Act. The research noted that Zimplats, one of the largest mines operating in Zimbabwe, had chosen to capitalise its profits rather than declaring dividends in the 2011 financial year⁵⁰. Considering that the Mhondoro-Ngezi CSOT planned to acquire its stake in the company via a loan to be repaid through advance dividends, the CSOT was unable to enjoy any tangible benefits. Some mining companies made seed capital donations through their Corporate Social Investments (CSIs) that clearly delivered benefits to communities, especially in the platinum sector. Social-service delivery in health, education and water received a massive boost in Tongogara, Zvishavane and Gwanda rural districts because of interventions made by CSOTs. Yet in the diamond-rich district of Marange, the diamond company had pledged \$50 million in seed capital on 25 July 2012⁵¹ for the Marange-Zimunya CSOT, but this pledge was not honoured⁵².

Through a series of annual multi-stakeholder meetings organised by PWYP from 2012 to 2019, at local, provincial and national levels, patterned after AMLs, community-benefit schemes from mining were a topical issue⁵³. Much of the discussion focused on CSOTs that were unsurprisingly at the heart of the PWYP campaign's advocacy initiatives. Key messages were transparency and citizen participation in the management of mineral revenues under the auspices of CSOTs, sustainability concerns, and encouraging mining company support for CSOTs. Because of the non-confrontational nature of the PWYP campaign, driven by multi-stakeholder engagement, the social accountability of CSOTs steadily grew. Ordinarily, traditional chiefs who are the trustees of CSOTs have some degree of power over their subjects as they are generally respected and feared.

49 Showers, M. (2012). Community Share Ownership in Zimbabwe's Mining Sector: A case study of Mhondoro-Ngezi https://www.academia.edu/14913254/Community_Share_Ownership_Trusts_in_Zimbabwes_Mining_Sector

50 Ibid.

51 <https://www.herald.co.zw/pay-up-diamond-mining-firms-told/>

52 The community in Marange felt let down that five diamond mining companies that had pledged to donate US\$10 million each failed to honour their commitment. From the anticipated US\$50 million, only US\$400,000 was received by Marange-Zimunya CSOT, US\$ 200,000 apiece from Mbada Diamonds and Marange resources.

53 <http://www.zela.org/alternative-mining-indaba-in-bulawayo-zimbabwe/>

Multi-stakeholder meetings facilitated by CSOs successfully managed to reduce the power gap and communities became more assertive by demanding transparency and participation in the management of CSOTs. From the outset, mining companies like Zimplats fully participated in meetings organised by the PWYP campaign. Others remained aloof, especially partly State-Owned Enterprises (SOEs) that were mining diamonds in Marange as well as certain multi-national corporations.

The PWYP campaign found support from CSOT administrators who were keen to build relationships with the communities they served. The secretive way CSOTs were established and commenced operations, marked in certain cases by rapid investment in social-service delivery infrastructures, left no room for citizen participation. ZANU PF, the party in charge of the Ministry of IEE programme, launched CSOTs to quickly invest in schools, clinics, roads, boreholes and dams as elections approached. Despite these challenges, the multi-stakeholder meetings organised by PWYP were conducted in an environment of respect, seeking collaboration instead of confrontation—this gave confidence to both duty bearers and communities to engage constructively on CSOTs. Thus, CSOT administrators who were confronted with legal compliance issues found willing advocacy partners within affected communities, CBOs and CSOs.

In July 2018, the PWYP campaign saw a positive shift in the attitude of the diamond-mining SOE, the Zimbabwe Consolidated Diamond Company (ZCDC) and Marange-Zimunya CSOT⁵⁴. A payment of US\$5 million was made to the Marange-Zimunya CSOT by ZCDC⁵⁵, though it is difficult to attribute this success to the PWYP or any single actor. ZANU PF may have seen some political mileage in trying to appease the discontented Marange community. Local CBOs and CSOs also pushed ZCDC to contribute to the Marange-Zimunya CSOT. Another important element may have been the

community demonstration in April 2018⁵⁶, which probably compelled ZCDC to try and address legacy issues concerning the disconnect of diamond mining and local benefits in Marange. Efforts by CBOs and CSOs to engage with the Marange-Zimunya CSOT administrator resulted in a commitment to accommodate a CBO representative on the board of trustees. Unfortunately, Zimbabwe's currency woes eroded the fiscal power of CSOTs and Marange-Zimunya was not spared the impact of this currency depreciation⁵⁷.

PWYP also engaged Parliament, which played a critical oversight role to unravel malpractice in the establishment and implementation of CSOTs. Changes in government brought in leadership which firmly believed in opening Zimbabwe for business. Among the priorities of the new government was the reversal of the IEE framework. At first, the IEE framework was softened starting in January 2018 so that mining companies outside the platinum and diamond sectors were exempted from compliance. In August 2019, platinum and diamond sectors were removed from complying with the IEE framework and the government hinted that a new economic empowerment framework would be formulated. This caused the Mhondongori Resources Community Development Trust (MRCDT) to petition Parliament, imploring government to not affect the sustainability of CSOTs with changes to the IEE framework. This petition, to a larger extent, was triggered by the disclosure made by the Zvishavane CSOT administrator on how much revenue was generated and how it was utilised during a local multi-stakeholder dialogue⁵⁸. Zvishavane CSOT received a total of US\$7.3 million and almost half of the funds were used to invest in clinics, schools, and rehabilitation of dams. Mimosa Mine paid US\$7 million and Murowa Diamonds paid US\$300,000. The petition submitted by Zireva was received by Clerk of Parliament and awaits actioning by the responsible parliament portfolio committee.

54 The former President Mugabe launched Marange-Zimunya CSOT on 25 July 2012.
55 Felix Share, 19 June 2018, The Herald. <https://www.herald.co.zw/5m-diamond-cash-for-manicaland-folk/>

56 <https://www.herald.co.zw/just-in-marange-villagers-stage-sponsored-demo-against-zcdc/>
57 <https://mukasirisibanda.wordpress.com/2019/05/14/zvishavane-community-share-ownership-trust-uncertainty-what-you-need-to-know/>

58 Ibid.

6. RESULTS AND LESSONS OF THE CAMPAIGN

The implementation of the PWYP advocacy campaign has generated important results and lessons for other CSOs active in natural resource governance:

- For countries that have not embraced EITI, a clear lesson to be drawn from the PWYP Campaign in Zimbabwe is that the campaign must develop a nimble approach to data collection. Outside EITI, there is data already in the public domain for civil society actors to use to cement advocacy messages for improved mineral revenue transparency and accountability. In Zimbabwe, such data are found in reports generated by the OAG, a Supreme Audit Institution (SAI). National budget statements, monetary policy statements and tax revenue performance reports generated by the tax administration agency are also good sources of data. Whilst mining contracts are not publicly accessible in Zimbabwe, contractual information, especially breach of terms and conditions of joint venture agreements involving mining SOEs, can be uncovered with the OAG reports.
- When it comes to influencing policy, blended strategies must be employed by civil society. For instance, the PWYP Zimbabwe campaign managed to rejuvenate government interest in joining EITI by working with champions in government to ensure there is buy-in within the Ministry of Finance; using the media to raise public awareness and to influence policy decisions; and taking advantage of pre-budget public consultations to make clear demands for EITI. Mobilisation is also critical to raise public awareness and create demand as transpired through local, provincial and national multi-stakeholder meetings.
- Advocacy initiatives must not be evanescent, rather they must be sustained to apply constant pressure on policy makers to heed to the call for mining sector transparency reforms like EITI. This gap in the PWYP campaign was addressed in 2019 by implementing a series of interventions that included multiple stakeholder meetings, research papers, blogs and media articles on EITI.
- Research is critical to a grounded advocacy initiative. Immediately after government came up with regulations that established and launched CSOTs,

ZELA commissioned research to gather evidence on policy and practice gaps. The evidence was critical to shaping the advocacy campaigns seeking to address challenges like limited transparency, community participation and accountability in the formulation and implementation of CSOTs. Sustainability issues centred on legal loopholes that did not make it mandatory for companies to dispose their shares to CSOTs; the unpredictable and unreliable nature of dividend revenue to finance sustainable local economic and social development; and the absence of the sense of community ownership in CSOTs due to the top-down approach taken in their establishment. Opportunities were clearly missed to use CSOTs as a vehicle for tripartite negotiations of agreements on

how communities were meant to benefit from CSOTs.

- The non-confrontational approach to advocacy, promoting multi-stakeholder dialogue is critical to promote social accountability. Duty bearers like traditional chiefs – trustees of CSOTs, the CSOT administrators, representatives from the Ministry of Indigenisation and mining companies participated in local, provincial and national indabas mainly because they were safe spaces for all stakeholders. Communities felt emboldened to ask duty bearers hard questions without fear and with respect. Consequently, the AMI space in Zimbabwe has contributed to improvement of transparency, community participation and accountability in the management of CSOTs.

7. RECOMMENDATIONS

The following are some of the main recommendations based on lessons learnt in Zimbabwe that could potentially be used by other PWYP coalitions that embark on similar advocacy campaigns⁵⁹.

- Any advocacy campaign should be grounded in local realities and contexts, as was the case for PWYP campaign in Zimbabwe. The need for broad mining-sector transparency reforms should shape the advocacy approach.
- Data from publicly available government sources like OAG reports, and local and national budget statements must be used to call for improved transparency and accountability in the extractive sector because it is publicly available and irrefutable.
- In some political environments, advocacy with government is delicate and needs to be evidence-based, using less confrontational approaches that are focused on closed-door engagement. Furthermore, the approach to advocacy needs take into account the sensitive nature of extractives in Africa.
- There is a need to plan for the fragility of government and its actions because government may introduce new regulations that undermine and erode gains of the advocacy campaign. This was evident in Zimbabwe when the government approach shifted after the change of regime in November 2017; and, in the process, undid all that had been achieved by the previous government.
- When conducting advocacy campaigns, it is important to work with Parliament and the relevant portfolio committees as they can be useful in ensuring accountability for both mining companies and central government.

59 These were drawn from the analysis and interviews conducted for this case study.

8. OPPORTUNITIES FOR ADVOCACY IN THE NEXT THREE YEARS

8.1 Pushing for mining sector transparency reforms: EITI or a piecemeal approach

Despite the setbacks on joining EITI, the PWYP campaign must seek innovative ways to push for transparency reforms. These include using a constitutional lens for transparency reforms in the mining sector. Several mega mining deals were announced by government in the past two years. To achieve contract transparency, PWYP must advocate for an Act of Parliament to guide negotiations and performance of mining agreements in line with Section 315 (2) (c) of the Constitution. There are opportunities to advocate for mining tax revenue transparency based on Section 298 (1) (a) of the Constitution on principles of public financial management that angle for transparency and accountability in all public financial matters.

8.2 Even when the EITI door remains shut, there is still room, albeit limited, to leverage available data for accountability

Whilst EITI creates a generally favourable environment for public transparency, citizen participation and accountability, PWYP must leverage piecemeal disclosures in the mining sector to confirm the demand for improved transparency. This entails making use of government-generated data like OAG reports, local and national budget statements, expenditure reports and monetary policy statements. Aside from government data, PWYP should use data available from mandatory disclosure rules binding extractive companies listed in Canada, the European Union and Norway to disclose various payments made to government on a per project basis. This is essential considering that disclosure alone does not translate into accountability.

As PWYP calls for greater disclosure, it must clearly demonstrate the utility by taking advantage of existing data to drive the accountability agenda. Accountability is very low in Zimbabwe and is a key building block in pursuing the transparency agenda in the extractives sector. Other sources of data for the PWYP campaign to focus on include reports generated directly or indirectly by listed mining companies.

8.3 Revenue-sharing arrangements: Follow the money to ensure transparency, and equitable and accountable revenue management

PWYP must “follow the money” flowing from the revenue-sharing arrangements between central, provincial and local government in line with Section 301 (3) of the Constitution. For the first time since 2013, funds were accommodated by the national budget in 2019. Fair and equitable allocation of the funds according to constitutional principles on public financial management should be confirmed. For example, resources must be allocated for the benefit of marginalized areas and people. Therefore, a poverty “heat map”, the formula that the Treasury has publicly committed to, must be used to gauge the fair and equitable nature of allocations from the fund. Further work involves checking whether any disbursements were made on a monthly and quarterly basis since budget allocations may not be matched by real disbursements.

Quarterly tax revenue performance reports generated by ZIMRA can offer a basis for checking whether 5% of national revenue collected has been distributed to provincial and local authorities. Based on the relations that the PWYP campaign enjoys with several resource-rich local authorities, they should access and analyse the quarterly income and expenditure reports. This will enable them to check whether the devolution funds were

received and how they were spent. Efforts should not stop there. Local governments are now designated procurement agencies under the Public Procurement and Disposal of Public Assets Act. PWYP, therefore, must push for local open contracting initiatives (LOCI) to ensure communities participate in the entire procurement value chain. LOCI bring a variety of benefits that include levelling the playing field for entrepreneurs, stifling corruption and enhancing value in the provision of public goods and services.

8.4 CSOTs and the new economic empowerment framework: The search for a revenue-sharing framework that benefits mining communities in a sustainable manner

Now that CSOTs no longer have a legal foundation, PWYP must propose a new framework for empowering communities in resource-rich areas. Based on multi-stakeholder discussions, research papers compiled by PWYP members and academia, the PWYP campaign must have clear messages on the new empowerment framework. Options include royalty revenue-sharing arrangements, and preferential local procurement that can be leveraged to develop parallel economies that can outlast the lifespan of a mine. The PWYP campaign must advocate for CSIs undertaken by mining companies to be channelled through CSOTs.

9 ANNEXES

Annex 1: Uptake of PWYP coalition recommendations in Zimbabwe

CIVIL SOCIETY PROPOSAL	LEVEL OF UPTAKE OF PWYP RECOMMENDATIONS			
	None	Partial	Total	Notes
Proposal 1: Zimbabwe must join and implement the EITI standards in the extractives sector		X		1
Proposal 2: Transparency, community participation and accountability in CSOT management		X		2

Although Zimbabwe has not followed the PWYP Proposal 1 to join EITI, the PWYP campaign successfully reignited government interest in joining. In the past decade, the PWYP campaign has largely kept afloat public discourse on EITI

as seen in the national budget statement. Today, CSOTs no longer have a legal backing as government scrapped the indigenisation and economic empowerment framework in the bid to open Zimbabwe for business. However, this

does not detract significantly from the positive outcomes emanating from the work done by the PWYP campaign. AMLs at local, provincial and national levels created opportunities for social accountability in the management of CSOTs. One CBO, MRCDT, petitioned Parliament

implored government to not violate the constitutional right of communities to benefit from resources in their localities. This shows how the PWYP campaign has empowered communities to be active players in the governance of their mineral resources.

Annex 2: Stakeholders interviewed

Name	Organisation	Contact Details
Rodney Ndamba	Institute for Sustainability Africa (INSAF)	
Darlington Muyambwa	Former PWYP Coordinator	fariedarlie@gmail.com
Fadzai Traquino	WLSA Director (ex-Oxfam Canada)	fadzaitraquino@gmail.com
Cosmas Nkala	Gwanda Community Share Ownership Trust	gcsot@yahoo.com
Janet Mudzviti	ZIMCODD Director	janet@zimcodd.co.zw
Cosmas Sunguro	Director, Zimbabwe Diamond Workers Union	
Farai Mutondori	Transparency International Zimbabwe	farai@tizim.org
Gilbert Makore	Oxfam GB – Regional Office Kenya (ex-PWYP Zimbabwe Coordinator)	



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