

Global Witness says Zimbabwe's diamond industry needs root and branch reform with transparency an essential focus.

In his 92nd birthday interview on 3 March President Mugabe stated that the diamond sector had made \$15 billion but the country had only received \$2 billion from it and suggested various options for reforms. This came after the Zimbabwe Mining Minister announced on the 22nd February that all diamond companies must cease operations with immediate effect after months of wrangling over the government's proposal to merge all of the companies into one amalgamated entity.

'It's been clear for many years that Zimbabwe's diamond industry needs to be radically reformed. Any reforms must ensure that Zimbabwe's security elite can no longer have illicit access to the country's diamond wealth. The diamond industry needs to become completely transparent and those involved held accountable for their actions' said Nick Donovan, Conflict and Fragile States Director at Global Witness.

'Zimbabwean law bizarrely vests mineral rights in the President, not the State. President Mugabe himself approved the operations of these companies, which he now says cannot be trusted. Investigations by Global Witness over the past 4 years have exposed links between members of the security forces, controlled by the President, and some of the mining companies operating there. It is as if the President is complaining about his left hand stealing from his right hand,' continued Donovan.

'If \$13 billion dollars of diamond money really has gone missing from the diamond sector that's eight times what the government just appealed for in humanitarian aid in response to the current food crisis which has left 2.4 million people without enough daily food' said Donovan. 'Reform of the diamond sector could be a crucial opportunity for the almost three-quarters of the Zimbabwean population who live in poverty to finally receive some benefit from these precious stones.'

ENDS/

Notes to editors

- Global Witness has previously published two reports on Zimbabwe's diamond industry.

1) *Financing a Parallel Government, Global Witness, June 2012,*

<https://www.globalwitness.org/en-gb/archive/financing-parallel-government-Zimbabwe/>

2) *Diamonds: A good deal for Zimbabwe?*

<https://www.globalwitness.org/en-gb/reports/diamonds-good-deal-zimbabwe/>

- The Zimbabwean law vesting mineral rights in the President is published in the Mines and Minerals Act, Article 2.
- President Mugabe's 92nd birthday interview was published on 5th March 2016
<https://www.youtube.com/watch?v=IQq9takyASg>
- The Zimbabwean government asked for \$1.5 billion in food assistance in February 2016.
<http://www.herald.co.zw/govt-seeks-15bn-for-food/>
- Official figures show that 2.44 million people are going to struggle for food in Zimbabwe in the coming months. <https://www.oxfam.org/en/pressroom/reactions/el-nino-zimbabwe-declares-state-disaster-oxfam-plans-response>
- 72% of the Zimbabwe population live below the poverty line:
<https://www.wfp.org/countries/zimbabwe>