

# THE MARANGE DIAMOND FIELDS OF ZIMBABWE: AN OVERVIEW

*October, 2011*

*“We have begun to see how this mineral wealth can become a curse – as it so often has been in Africa, as people are killed and communities destroyed in the fight for diamonds that will forever be marked with the blood of the innocent.” - Rowan Williams, October 2011, Harare.*



*Marange diamonds*

Photograph: Working Group of Diamond Experts/Kimberley Process



*Miners dig for diamonds in the controversial Marange diamond fields of eastern Zimbabwe. Human rights groups report the government seized the fields by killing hundreds of prospectors and then forced countless people into hard labour.*

Photograph: Tsvangirayi Mukwazhi, Associated Press, 2006



*A panner in the Marange fields scrapes through the dirt and stones trying to find diamonds*

## CONTENTS

1	MAP OF ZIMBABWE AND THE MARANGE DIAMOND FIELDS NEAR MUTARE IN EASTERN ZIMBABWE .....	1
2	THE RETURN OF THE BLOODY DIAMONDS: MINERS AT GUNPOINT IN ZIMBABWE - 19 SEPTEMBER 2009 .....	1
3	Introduction .....	2
4	BACKGROUND TO MARANGE MINING CLAIMS .....	4
4.1	Operation Chikorokoza Chapera – November 2006.....	6
4.2	November 2006 - October 2008: Chaos Reigns and Human Rights Abuses Continue .....	6
4.3	Operation Hakudzokwi – October 2008 .....	6
5	POWER, PATRONAGE AND ARMY OPERATIONS.....	7
6	KIMBERLEY PROCESS – THE DEBATE RAGES .....	10
7	THE MANAGEMENT OF DIAMONDS IN ZIMBABWE.....	16
7.1	The Ministry of Mines and Mining Development (MMMD).....	16
7.2	The Zimbabwe Mining Development Corporation (ZMDC).....	16
7.3	The Minerals Marketing Corporation of Zimbabwe (MMCZ).....	17
8	Joint Ventures through the ZMDC .....	17
9	Marange Resources formed by the ZMDC.....	18
10	ORGANOGRAM 1: MARANGE RESOURCES FORMED BY THE ZIMBABWE MINING DEVELOPMENT CORPORATION .....	18
11	Canadile dumped amid fraud claims .....	21
12	ORGANOGRAM 2: RESTRUCTURING OF MARANGE RESOURCES BY THE ZIMBABWE MINING DEVELOPMENT CORPORATION .....	22
12.1	Three additional mining licenses granted.....	22
13	CONTROVERSIAL RELATIONS WITH CHINA .....	25
14	AIRSTRIP BUILT IN CHIADZWA .....	26
15	BEYOND REASONABLE GREED – MASS SCALE CORRUPTION AND SMUGGLING .....	27
15.1	Police involvement in illegal mining and smuggling .....	29
15.2	Defence Forces involvement in illegal mining and smuggling .....	30
15.3	Beneficiaries of illicit diamond trade .....	30
15.4	Role of Reserve Bank of Zimbabwe .....	30
15.5	Transparency International’s Corruption Perceptions Index for 2010 .....	31
16	HUMAN RIGHTS ABUSES.....	31
16.1	Beaten, brutalised, mown down from helicopters and buried alive.....	31
16.2	Operation Chikorokoza Chapera – November 2006.....	33
16.3	Operation Hakudzokwi – October 27, 2008.....	33
16.4	Soldiers speak out on the massacre.....	34
16.5	Written testimonies and hospital records .....	35
16.6	Response from Mines Minister Obert Mpofu.....	35
16.7	Response from the Kimberley Process .....	35

16.8	Human Rights Watch: Private mining companies perpetrating shocking abuses .....	36
17	ENVIRONMENTAL DEGRADATION DUE TO UNREGULATED MINING .....	36
18	CONCLUSION.....	38
18.1	Good governance could restore a decade of economic ruin.....	38

## **Glossary of Acronyms**

ACR	African Consolidated Resources
ARDA	Agricultural Rural Development Authority
CIO	Central Intelligence Organisation
CRD	Centre for Research and Development
EPO	Exclusive Prospecting Order
GW	Global Witness
HRW	Human Rights Watch
KP	Kimberley Process
KPCS	Kimberley Process Certification Scheme
MDC	Movement for Democratic Change Party
MMCZ	Minerals Marketing Corporation of Zimbabwe
MMMD	Ministry of Mines and Mining Development
PAC	Partnership Africa Canada
RBZ	Reserve Bank of Zimbabwe
SADC	Southern African Development Community
SARW	Southern Africa Resource Watch
ZANU PF	Zimbabwe African National Union–Patriotic Front
ZELA	Zimbabwe Environmental Law Association
ZMDC	Zimbabwe Mining Development Corporation

## 1 MAP OF ZIMBABWE AND THE MARANGE DIAMOND FIELDS NEAR MUTARE IN EASTERN ZIMBABWE



## 2 THE RETURN OF THE BLOODY DIAMONDS: MINERS AT GUNPOINT IN ZIMBABWE - 19 SEPTEMBER 2009

Daily Mail (UK) journalist Dan McDougall and photographer Robin Hammond risked their lives to visit the Marange diamond fields of Eastern Zimbabwe:

"The closer we get to the mining fields the purer the stones become and the more our translator warns us our lives are in danger. Even with our cover as diamond dealers we are out on a limb here. At each checkpoint the soldiers tell us that most of the dealers are black - Nigerians....

As we set off, in the darkness, everyone is terrified..... 'If we are caught they'll shoot us and bury us in the bush until our bones are ready to be taken away elsewhere,' our translator says.....

Sometimes reporting from Africa is hard; unless you have seen it for yourself, you are wary of fully accepting any account at face value. But these wounds are unmistakable; they are raw and open and stand out against his skin. He sits in excruciating pain and tells us he is not finished. On his chest there are puncture marks from knives and through his kneecap a piercing hole - an open wound the size of a golf ball.

'The soldiers came here and found us at a digging site close by,' he says. 'We were working for them at that time but they told us we had produced no diamonds and we deserved to be punished.... I looked at my two friends... their legs were streaming with blood. One of them had died, and blood was streaming from his eyes and ears. I passed out.' .....

Read the full article at: <http://www.dailymail.co.uk/home/moslive/article-1213894/The-return-bloody-diamonds-Miners-gunpoint-Zimbabwe.html#ixzz1URPbYJQS>



*Marange diamond exports approved – IDEX Online, 26 January 2011<sup>1</sup>*

*© Copyright photo - Raul Sapora*

### 3 INTRODUCTION

Following the Marange story is like following game trails deep in the African wilderness. The paths are tortuous: intersecting, diverging, becoming increasingly distinct then blurring in the dense bush shrouding a cliff face or precipice - or even disappearing, seemingly without a trace, in the open veld. Those that deal in blood diamonds know how to cover their tracks... Or do they?

The discovery of significant alluvial diamond deposits in the Marange area of eastern Zimbabwe [Manicaland Province] in June 2006 should have been a means of salvation for the virtually bankrupt country after ten years of chaos that saw world record inflation and the nation brought to its knees. Instead, it has led to greed, corruption and exploitation on a grand scale, the use of forced labour – both adults and children - horrifying human rights abuses, brutal killings, degradation of the environment and the massive enrichment of a select few.

**So what exactly is at stake?**

---

<sup>1</sup> *IDEX Online*, 'Marange diamond exports approved', 26 January 2011:  
<http://gemmanews.wordpress.com/2011/01/26/idx-online-marange-diamond-exports-approved/>

Mark van Boschel, an expert on the footprinting or location of diamond sites, who is based at the World Diamond Centre in Belgium, says Zimbabwe has the largest diamond deposits worldwide and they “are a billion years old”. In eastern Zimbabwe, there is a 70km belt of kimberlite diamonds from the Chiadzwa district of Marange to the Chimanimani Mountains [on the Mozambique border]<sup>2</sup>.

Depending on the dollar per carat value of the Marange diamonds, media reports have suggested that the value of the deposits “could be worth up to US\$800 billion....”<sup>3</sup> In December 2010, an industry expert told the Telegraph (UK) it was “the richest diamond field ever seen by several orders of magnitude.”<sup>4</sup> According to an article in the Belfast Telegraph, it is estimated that the fields could meet a quarter of the world’s demand for diamonds.<sup>5</sup>

Finance minister Tendai Biti has described the 60,000 hectare Marange diamond field... as ‘the biggest find of alluvial diamonds in the history of mankind’. “Potential revenue is estimated at US\$1 billion-US\$1.7 billion a year, about half the crisis-ridden country’s total forecast GDP [in 2010] and enough to end its economic woes almost at a stroke,” the Economist (UK) reported. “But if the revenue fell exclusively into the hands of President Robert Mugabe’s ZANU PF it could, critics argue, spell the return of a single-party dictatorship and end the present shaky power-sharing arrangement between [President] Mugabe and [Prime Minister]Morgan Tsvangirai’s Movement for Democratic Change (MDC).”<sup>6</sup>

“One industry insider who has visited the area, and who spoke to Partnership Africa Canada (PAC)<sup>7</sup> on condition of anonymity, confirmed that the caratage of Marange is ‘virtually unheard of’ and ‘bigger by order of magnitude than anything mined anywhere in the world’. It’s a complete freak.”<sup>8</sup>

African Consolidated Resources, [which has the mineral rights to a 1,800 hectare site], told PAC that Marange’s output could sustain three million carats a month for 14 years<sup>9</sup>, or if mined at a steady and (more) responsible rate, it would have an estimated 30-year mine life.<sup>10</sup>

---

<sup>2</sup> *The Zimbabwean*, ‘Zim’s diamond deposits largest in the world’, 18 May 2011:

<http://www.thezimbabwean.co.uk/news/39695/zims-diamond-deposits--largest-in-world.html>

<sup>3</sup> *Sunday Times (SA)*, ‘Fabulous wealth in Marange diamonds’, 8 August 2010:

<http://www.timeslive.co.za/africa/article591181.ece/Fabulous-wealth-in-Marange-diamonds>

<sup>4</sup> *The Telegraph (UK)*, ‘Zimbabwe’s Blood Diamonds exposed by Wikileaks cable’, 10 December 2010:

<http://www.telegraph.co.uk/finance/newsbysector/industry/mining/8192700/Zimbabwes-Blood-Diamonds-exposed-by-Wikileaks-cable.html>

<sup>5</sup> *Belfast Telegraph*, ‘Zimbabwe holds £1bn diamond sale’, 11 August 2010:

<http://www.belfasttelegraph.co.uk/news/world-news/zimbabwe-holds-1bn-diamond-sale-14904660.html#ixzz1US7U9Ebq>

<sup>6</sup> *The Economist (UK)*, ‘President Robert Mugabe is determined that diamonds should prop up his party’, 24 June 2010: <http://www.economist.com/node/16438814>

<sup>7</sup> *Partnership Africa Canada*, a Canadian non-profit organisation: [www.pacweb.org](http://www.pacweb.org)

<sup>8</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 14:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

“One method of quantifying the value of a deposit is to measure the carats per 100 tonnes of ore. ACR’s CEO, Andrew Cranswick claims Marange produces 4,000 carats per 100 tonnes. The numbers for Zimbabwe’s two kimberlite sites, Rio Tinto’s operation in Murowa and River Ranch near Beit Bridge, are positively pedestrian by comparison, averaging 60-80 carats and 25-30, respectively”, said PAC.<sup>11</sup> River Ranch, like Marange, is steeped in controversy.

According to ACR, Marange produces 4,000 carats per 100 tonnes, and that the top five percent are “very serious gems”, while another five percent are “decent quality”.<sup>12</sup>

#### 4 BACKGROUND TO MARANGE MINING CLAIMS

From the early 1990s, South African diamond mining conglomerate De Beers started prospecting in the Marange area, about 100km south west of Mutare. Geologists interviewed by Human Rights Watch (HRW), in its report, “Diamonds in the Rough” (June 2009), estimated the diamond fields to be spread over a 26-square-kilometre area.<sup>13</sup>

In 2001, De Beers’ geologists were in the fields on a kimberlite prospecting programme and it was at this point that alluvial diamond deposits were discovered. However, the stones were low value and it was only later that high value gems –which in their estimation constituted about 10% of the total – were found.

HRW explained the situation from 2002 as follows: “Initially, the government’s plan was for the Marange fields to be developed privately. From March 2002 to March 2006, Kimberlitic Searches, a subsidiary of .... De Beers, operated under two ‘Exclusive Prospecting Orders’ (EPO 1520 and 1523) from the government of Zimbabwe, granting it full exploration rights to search for minerals in the Marange communal area. The exploration certificates expired on March 28, 2006, and De Beers did not renew them.”<sup>14</sup>

Their decision needs to be seen in the context of the prevailing political climate. The violent farm invasions, carried out with the government’s logistical support, had started in 2000 and the chaos and lawlessness which continued to plague the country was not conducive to significant investment.

---

<sup>9</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 14:  
[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>10</sup> *SW Radio Africa*, ‘Cranswick says South Africa ‘crooks’ holding Zim to Ransom (Part 2) 2 April, 2011:  
<http://www.swradioafrica.com/pages/hotseat080410.htm>

<sup>11</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 14:  
[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>12</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 14:  
[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>13</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 12:  
<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>14</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 13:  
<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

The fact that the period 2001-2003 was prior to any significant movement in the pre-crush price - which was only US\$12 per carat - may also have been a consideration.

According to HRW, "After Kimberlitic Searches ended its operations, a United Kingdom-registered company, African Consolidated Resources (ACR), through its four Zimbabwean subsidiaries, registered exploration claims over Marange diamond fields with the relevant authorities. The claims gave ACR exclusive rights to explore and search for diamonds and other precious stones in Marange district."

In June 2006, when ACR discovered diamonds, known locally as *ngoda*, in Marange, they declared the find, as required by law through the Stock Exchange, and to the Zimbabwe government. They also appealed for assistance to control villagers who had started digging in the area.<sup>15</sup>

Instead, in an apparent attempt to get political mileage, the ZANU PF government declared the fields open to anyone wishing to look for diamonds. This resulted in a chaotic diamond rush which continued through September, while smuggling ran rampant. "It was estimated that between 15,000 and 20,000 illegal artisanal miners were working the land and illegally selling their diamond finds to dealers outside the country."<sup>16</sup>

On July 21, 2006, ACR was told by the assistant mining commissioner that its claims had been 'invalidated' because De Beers had submitted an application for an extension. Then, on September 19, the Mining Commissioner confirmed the validity of their claims. "After that, ACR started extensive infrastructural development and exploration activities, including sample collection and preparations for fencing an extensive area to protect it from illegal miners and rampant theft of diamonds."<sup>17</sup>

On September 28, 2006, the Minerals Marketing Corporation of Zimbabwe (MMCZ) visited the area with ACR officials and police to address illegal miners. The same day, the police apprehended ACR officials and seized their diamond samples. These were later returned.<sup>18</sup>

On October 2, 2006, ACR was warned to cease all fencing and clearing activities on their claims. The previous day, the MMCZ had been given a special grant that purportedly gave it the right over the claims.<sup>19</sup>

---

<sup>15</sup> *SW Radio Africa*, 'ACR CEO Andrew Cranswick on history of Chiadzwa diamonds, 26 March 2010: <http://www.swradioafrica.com/pages/hotseat300310.htm>

<sup>16</sup> *Rapaport*, 'Background: Zimbabwe's Marange Diamonds', 2009: <http://www.diamonds.net/fairtrade/Zimbabwe/Background.aspx>

<sup>17</sup> *The Zimbabwe Independent*, 'British firm locked in diamonds war', 11 December, 2009: <http://www.newzimbabwe.com/pages/mines12.14845.html>

<sup>18</sup> *The Zimbabwe Independent*, 'British firm locked in diamonds war', 11 December, 2009: <http://www.newzimbabwe.com/pages/mines12.14845.html>

<sup>19</sup> *The Zimbabwe Independent*, 'British firm locked in diamonds war', 11 December, 2009: <http://www.newzimbabwe.com/pages/mines12.14845.html>

#### 4.1 Operation Chikorokoza Chapera – November 2006

The massive police operation initiated the following month was described by HRW: “On November 21, 2006, five months after the discovery of diamonds in Marange, the government launched a nationwide police operation code-named Chikorokoza Chapera (End to Illegal Panning), which was aimed at stopping illegal mining across the country, including in Marange. During the operation, police deployed some 600 police officers, arrested about 22,500 persons nationwide who it said were illegal miners [some 9,000 of them were arrested in Marange], and seized gems and minerals with an estimated total value of US\$7 million. The operation was marked by human rights abuses, corruption, extortion and smuggling.”<sup>20</sup> (See Human Rights section for more information).

Many former farm workers who had been deprived of their livelihoods during the fast-track land reform programme, as well as small traders who had been deprived of their market stalls by Operation Murambatsvina (Drive out the Rubbish) in 2005, were affected.<sup>21</sup>

#### 4.2 November 2006 - October 2008: Chaos Reigns and Human Rights Abuses Continue

For the next two years, “From November 21, 2006 to the end of October 2008, police committed numerous human rights abuses, including killings, torture, beatings and harassment of local miners in Marange.”<sup>22</sup>

When the scramble peaked in October 2008, more than 35,000 people from Zimbabwe, South Africa, Botswana, the Democratic Republic of Congo, Mozambique, Equatorial Guinea, Nigeria, Lebanon, Pakistan, the United Arab Emirates, Belgium and India were either mining or buying diamonds in Marange.<sup>23</sup>

#### 4.3 Operation Hakudzokwi – October 2008

On October 27, two years after Operation Chikorokoza Chapera, the government launched Operation Hakudzokwi (No Return) in Marange. HRW noted that the operation, involving elements of the Zimbabwe National Army, Air Force and Central Intelligence Organisation, appeared to have been designed both to restore a degree of order and to allow key army units access to riches at a time when the country was teetering on the brink of bankruptcy. Shortly after its inception, HRW

---

<sup>20</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 19:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>21</sup> *Internal Displacement Monitoring Center*, ‘Evictions from mining areas’, 1 July 2011: [http://www.internal-displacement.org/idmc/website/countries.nsf/\(httpEnvelopes\)/4E599256499D9B2BC12576E100639FE8?OpenDocument](http://www.internal-displacement.org/idmc/website/countries.nsf/(httpEnvelopes)/4E599256499D9B2BC12576E100639FE8?OpenDocument)

<sup>22</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 24:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>23</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 14:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

reported that the army had killed at least 214 miners, and said soldiers were involved in the smuggling of diamonds.<sup>24</sup>

By November the army was firmly in control and they turned rapidly to forming syndicates,<sup>25</sup> often using forced labour, including women and children.

In February 2009, the new power-sharing government was formed. As HRW pointed out in the summary of “Diamonds in the Rough”, the government could “generate significant amounts of revenue from diamonds, perhaps as much as US\$200 million per month, if Marange and the other mining centres were managed in a transparent and accountable manner”. HRW called on the new government to remove the military from Marange and to restore security responsibilities to the police, according to internationally recognised standards of law enforcement.<sup>26</sup>

As a former participant in the Kimberley Process Certification Scheme (KPCS), HRW said members of the KPCS should demand that Zimbabwe comply with the scheme’s minimum standards and that “the KPCS should take urgent measures to audit the Zimbabwean mining sector, ensure that individuals involved in smuggling return their ill-gotten gains, and act to prevent any further abuse in both the extraction and onward sale of Marange diamonds.”<sup>27</sup> (See Human Rights section for more information).

## 5 POWER, PATRONAGE AND ARMY OPERATIONS

It was time for President Robert Mugabe and his small clique of hardliners and generals known as the Joint Operations Command (JOC), to take stock.

To understand Marange in the context of the complex and contorted political and economic landscape of Zimbabwe, it is necessary to sketch an overview of President Mugabe’s modus operandi from when he first came to office - and his dexterous use of a combination of patronage, fear and the militarisation of the country to retain power.

ZANU PF consolidated its power after independence in 1980 by being centralised, conspiratorial and ruthless. After winning the election, the party simply went back to doing what it knows best.<sup>28</sup>

---

<sup>24</sup> *Rapaport*, ‘Timeline of Events at Marange Diamond Fields’, February 2011:

[http://www.diamonds.net/cms/Zimbabwe/docs/Marange\\_Timeline-041110-2](http://www.diamonds.net/cms/Zimbabwe/docs/Marange_Timeline-041110-2)

<sup>25</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 37:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>26</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pgs 4 and 5:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>27</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 5:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>28</sup> *Mail & Guardian*, ‘UK names clique of six men behind campaign of terror’, 23 June 2008:

<http://www.mg.co.za/article/2008-06-23-uk-names-clique-of-six-men-behind-campaign-terror>

Emmerson Mnangagwa, the current chairman of JOC, was given the task of overseeing the demolition of its main opponent, ZAPU, through the mass killings in Matabeleland between 1983 and 1987. This military operation was known as Gukurahundi (the Early Rain that Washes Away the Chaff) and was spearheaded by the North Korean-trained Fifth Brigade, headed by Perence Shiri, now commander of the air force and another powerful member of JOC.

President Mugabe's first major hurdle came in 1997 when the increasingly militant, disaffected veterans of the liberation war demanded massive disbursements, crippling the economy. This led to price hikes and job losses, followed by food riots. Then, in 1999, the opposition Movement for Democratic Change was formed, posing the first significant challenge to the President and ZANU PF.

Partnership Africa Canada summed up ZANU PF's modus operandi as follows: "Each time President Mugabe and his inner circle have faced a crisis of political legitimacy, they have resorted to carefully crafted campaigns of economic theft with which to engage in crass patrimonialism to placate key constituencies and buy more time in office. As such, the involvement of ZANU PF elite in the country's diamond resources is the latest chapter in a long continuum by which the violent expropriation and manipulation of economic resources have been used for their political and economic gain."<sup>29</sup>

Three key events preceded the ruthless plunder of the Marange and River Ranch concessions:

- **Zimbabwe's plunder of the diamond-rich Democratic Republic of Congo:** In 1998 President Mugabe sent troops to support the government of Laurent Kabila, resulting in the massive enrichment of some of President Mugabe's friends, and reportedly the President himself.
- **The orchestrated invasion and seizure of white-owned commercial farms in 2000:** A 2009 audit of stolen farms revealed that the beneficiaries were largely a who's who of ZANU PF politics, notably the members of JOC.<sup>30</sup>
- **The manipulation of foreign exchange rates:** This practice was rife during the years of hyper-inflation when ZANU PF elite with special access to hard currency could make a fortune buying and selling on the black market.<sup>31</sup>

**Hyperinflation – 2004-2009:** Between 2004 and 2009, Zimbabwe suffered hyperinflation which rose to world record levels until it abandoned the Zimbabwe dollar in favour of the US dollar.

---

<sup>29</sup> *Partnership Africa Canada*, 'Diamonds and Clubs', June 2010, pg 6:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>30</sup> *Partnership Africa Canada*, 'Diamonds and Clubs', June 2010, pg 11:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>31</sup> *Partnership Africa Canada*, 'Diamonds and Clubs', June 2010, pg 11:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

“On February 16, 2006, Reserve Bank Governor Gideon Gono announced that the government had printed ZW\$20.5 trillion in order to buy foreign currency to pay off International Monetary Fund (IMF) arrears,” wrote John Lee, a chartered financial analyst, in an article published in FinTrend.

“In early May,” continued Lee, “the government announced that they would produce another ZW\$60 trillion. “The additional currency was required to finance the recent 300% salary increase for soldiers and policemen and 200% increase for other civil servants. The money was not budgeted for in the current fiscal year, and the government did not say where it would come from.”<sup>32</sup>

Then, in June, ACR reported to government that diamonds had been discovered at the Marange fields. For the beleaguered government, which was struggling to pay the increasingly disgruntled security forces, the timing could not have been better!

Despite ACR’s appeals for assistance to control villagers who had started digging in the diamond fields, the government declared them open to anyone who wished to dig and the diamond rush began - an initiative which echoed the farm invasions of 2000.

In the violent takeovers of the commercial farms, the so-called war vets, many of them unemployed youths who desperately needed the cash paid by the government to invaders, were the pawns in this elaborate game of political chess.

The illegal panners were also convenient pawns, who would be used to overrun ACR’s claims and who could be utilised and exploited by the army and police for self-enrichment, thus mollifying a constituency whose loyalty to ZANU PF, in the context of ongoing political strife, remained essential. “The deployment of the military in Marange also ensured access to mining revenue by senior members of ZANU PF and the army.”<sup>33</sup>

Since then, communities living in the Chiadzwa district, either on or near the diamond fields, have been forcibly relocated, without being adequately consulted about the relocation site or the timing of the relocation; without receiving adequate compensation and without the relocation site having been adequately prepared.<sup>34</sup>

---

<sup>32</sup>*Inflation.com*, Zimbabwe hyperinflation and the US Dollar, February 2009:

[http://www.fintrend.com/inflation/Hyperinflation\\_Articles/Zimbabwe\\_Hyperinflation\\_and\\_US\\_Dollar.asp](http://www.fintrend.com/inflation/Hyperinflation_Articles/Zimbabwe_Hyperinflation_and_US_Dollar.asp)

<sup>33</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 3:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>34</sup> *Internal Displacement Monitoring Centre*, ‘Evictions from mining areas (including Operation Chikorokoza Chapera and Operation Hakudzokwi)’, 1 July 2011:

[http://www.internal-displacement.org/idmc/website/countries.nsf/\(httpEnvelopes\)/4E599256499D9B2BC12576E100639FE8?OpenDocument](http://www.internal-displacement.org/idmc/website/countries.nsf/(httpEnvelopes)/4E599256499D9B2BC12576E100639FE8?OpenDocument)

In October 2006, the Minerals Marketing Corporation of Zimbabwe moved into Marange to “mop up” and began purchasing diamonds from illegal, unlicensed local miners.<sup>35</sup>

## 6 KIMBERLEY PROCESS – THE DEBATE RAGES

*“Every single rich alluvial diamond deposit ever found in Africa has ended in war.... There have been no exceptions.” Andrew Cranswick, CEO, Africa Consolidated Resources<sup>36</sup>*

The aim of the Kimberley Process (KP) is to exclude conflict diamonds from international markets and to prevent diamond-fuelled wars.<sup>37</sup> At its core, the KP is about stopping human rights abuse linked to diamonds.

“The Kimberley Process (KP) was set up as a result of campaigning by Global Witness, Partnership Africa Canada and others to expose the role of diamonds in funding vicious conflicts in Angola, Sierra Leone and Liberia. In the face of growing international pressure, the diamond industry and campaigners met in Kimberley, South Africa, in May 2000 to determine how to tackle the problem.”<sup>38</sup>

After three years of negotiating, the Kimberley Process was formed. The resulting Kimberley Process Certification Scheme (KPCS) is an import-export certification scheme which requires participating governments to certify the origin of rough diamonds and put in place effective controls to prevent conflict stones from entering the supply chain. Participant countries can only trade rough diamonds with other members. In 2010, 75 governments were participating in the KP.<sup>39</sup>

While the KP’s technical provisions are implemented by governments, “its tripartite structure means that non-governmental organisations and the diamond industry hold official status as observers and take part, along with member states, in all working groups and decision-making processes. The scheme relies on consensus-based decision-making, which often means slow progress or inaction on

<sup>35</sup> *Rapaport*, ‘Timeline of Events at Marange Diamond Fields’, February 2011:

[http://www.diamonds.net/cms/Zimbabwe/docs/Marange\\_Timeline-041110- 2](http://www.diamonds.net/cms/Zimbabwe/docs/Marange_Timeline-041110- 2)

<sup>36</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 1:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>37</sup> *Global Witness*, ‘Return of the blood diamond’, 14 June 2010, pg 5:

<http://www.globalwitness.org/library/return-blood-diamond-deadly-race-control-zimbabwes-new-found-diamond-wealth>

<sup>38</sup> *Global Witness*, ‘Return of the blood diamond’, 14 June 2010, pg 5:

<http://www.globalwitness.org/library/return-blood-diamond-deadly-race-control-zimbabwes-new-found-diamond-wealth>

<sup>39</sup> *Global Witness*, ‘Return of the blood diamond’, 14 June 2010, pg 5:

<http://www.globalwitness.org/library/return-blood-diamond-deadly-race-control-zimbabwes-new-found-diamond-wealth>

key issues,” explained Global Witness (GW) in its report, “Return of the Blood Diamond” (June 2010).<sup>40</sup>

Consequently, GW noted, “Lack of consistent political will, and outdated and obstructive procedures have prevented the scheme from achieving its potential and fulfilling its mandate - to prevent diamonds from fuelling violence and human rights abuses.”

“Zimbabwe is arguably the KP’s biggest test yet; one that it is currently failing,” GW said.<sup>41</sup>

According to critics, KP’s response to the systematic and gross human rights violations rampant in the diamond fields of Zimbabwe ranges from ineffectual to complicit.

The KP’s first Review Visit to Zimbabwe took place in 2004, prior to Zimbabwe’s commencement of rough diamond export or import activity, and at a time - as it was claimed - when Zimbabwean mines were not in production. Overall, the review concluded that, although difficult to determine for a non-active participant, “Zimbabwe has in place a system that is capable of fulfilling in a satisfactory manner its undertakings under the KPCS.”<sup>42</sup>

Here is the first anomaly. According to PAC in its “Diamonds and Clubs” report of June 2010, River Ranch, a diamond mine in the Beit Bridge area of southern Zimbabwe which had been controversially grabbed by the late General Solomon Mujuru (Retd)<sup>43</sup>, the husband of Zimbabwe’s current Vice President, Joice Mujuru, had been operational for a few years. The take-over of the mine occurred in April 2004, with the help of Adel Abdul Rahman al Aujan, a billionaire Saudi real estate developer.<sup>44</sup>

The owners of River Ranch, Adele and Michael Farquhar of Buby Minerals, purchased the once insolvent mine in 1998 and managed to turn it around so that it was producing an average of 30,000 carats a month. They were eventually forced off the property, having suffered numerous imprisonments, house break-ins and death threats.<sup>45</sup>

---

<sup>40</sup> *Global Witness*, ‘Return of the blood diamond’, 14 June 2010, pg 5:

<http://www.globalwitness.org/library/return-blood-diamond-deadly-race-control-zimbabwes-new-found-diamond-wealth>

<sup>41</sup> *Global Witness*, ‘Return of the blood diamond’, 14 June 2010, pg 5:

<http://www.globalwitness.org/library/return-blood-diamond-deadly-race-control-zimbabwes-new-found-diamond-wealth>

<sup>42</sup> *Kimberley Process*, ‘KP Certification Scheme review mission to Zimbabwe’, 30 June-4 July 2009, pg 2:

[http://www.kubatana.net/docs/hr/kpcs\\_review\\_final\\_report\\_091029.pdf](http://www.kubatana.net/docs/hr/kpcs_review_final_report_091029.pdf)

<sup>43</sup> General Solomon Mujuru died in a suspicious fire at his farmhouse on 16 August 2011:

<http://www.telegraph.co.uk/news/worldnews/africaandindianocean/zimbabwe/8726823/The-mysterious-death-of-Solomon-Mujuru-and-fears-for-the-future-of-Zimbabwe.html>

<sup>44</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 8:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>45</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 8:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

Between 2004 and 2008, with Mujuru in control, River Ranch did not publicly declare its production. "The first public declaration was made by Tendai Biti (MDC), [Finance Minister in the government of national unity], who stated that the annual return for River Ranch for 2009 was 75,000 carats – exactly 25% of the potential annual yield." PAC said that another kimberlite mine, operated by Gideon Gono, the controversial Governor of the Reserve Bank, also operated under the radar.<sup>46</sup>

In May 2007, six months after Operation Chirorokoza Chapera had begun; a Kimberley Process review team flew over the Marange area and concluded that little mining was taking place at the site.<sup>47</sup>

On February 28, 2008, Zimbabwe's Financial Gazette reported that the country had been cleared of any illegal activity in the trade of diamonds following a KP Review Team visit between May and June 2007. In its report, the KP said it had found no "substantial proof" of smuggling.<sup>48</sup>

"It is the view of the Review Team that the overall structure of the implementation of the KP Certification Scheme (KPCS) appears to be working in a satisfactory manner in Zimbabwe, and, in general, meets the minimum requirements of the KPCS," the report read.<sup>49</sup>

In December 2008, as a result of Operation Hakudzokwi, members of the *Kimberley Process Civil Society Coalition* called on the KP to suspend Zimbabwe from the rough diamond certification scheme.

"In response to the developments in Marange, the KP adopted a double-track approach, developing specific measures to contain the flow of illicit diamonds ... and responding to reports of smuggling and violence [in a] public statement expressing 'growing concern' at the reports of violence.... in the Marange mining area." A high-level KP envoy was sent to Zimbabwe in March 2009.<sup>50</sup>

In July 2009, a visit to Zimbabwe by a KP investigating team resulted in the publication of a damning interim report implicating the government in human rights violations and the looting of gems at Marange. The Financial Gazette said the report referred to "unacceptable and horrific violence against civilians by authorities in and around Chiadzwa". The KP team "was reserving the decision to

---

<sup>46</sup> *Partnership Africa Canada*, 'Diamonds and Clubs', June 2010, pg 9:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>47</sup> *IPS News*, 'Human Rights: More calls to ban Zimbabwe's blood diamonds', 23 May, 2009:

<http://www.ips.org/africa/2009/05/rights-more-calls-to-ban-zimbabwe8217s-blood-diamonds/>

<sup>48</sup> *Financial Gazette*, 'Probe clears Zim in diamonds trade', 28 February 2008:

[http://www.zimbabwesituation.com/feb29a\\_2008.html#Z13](http://www.zimbabwesituation.com/feb29a_2008.html#Z13)

<sup>49</sup> *Financial Gazette*, 'Probe clears Zim in diamonds trade', 28 February 2008:

[http://www.zimbabwesituation.com/feb29a\\_2008.html#Z13](http://www.zimbabwesituation.com/feb29a_2008.html#Z13)

<sup>50</sup> *Europa,EU*, 'Kimberley Process Plenary meeting further strengthens international efforts to combat trade with conflict diamonds', 12 November 2009:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1701&format=HTML&aged=0?uage=EN&guiLanguage=en>

call for a partial or complete ban on the country's diamonds should the government fail to meet a number of requirements that included acknowledging the existence of human rights violations at the extensive diamond fields.”<sup>51</sup>

At the annual KP plenary in November 2009, civic groups called for Zimbabwe’s expulsion from the KP scheme, but a joint work plan was agreed instead. The country was given six months to fulfill requirements, including gradually withdrawing the army.<sup>52</sup>

On May 25, 2010, Farai Maguwu, the widely respected director of the Mutare-based Centre for Research and Development (CRD), who had been monitoring the human rights abuses and rampant smuggling in Marange, had a confidential meeting with the KP’s Abbey Chikane. Three months earlier, in February, Chikane, a former chairman of the South African Diamond Board, had been designated as a KP Monitor.

On June 3, Maguwu was arrested and interrogated; sparking protests from local and international human rights groups, including Amnesty International. He had reported the ongoing human rights abuses and the involvement of the security forces to Chikane and had warned that “at least 2,000 carats a day were being smuggled out, with the prime suspects being employees of ... Canadile”.<sup>53</sup> Fears for his health and safety while he was incarcerated in one of Zimbabwe’s notorious prisons were expressed in media statements by his legal team.

Chikane’s report, released in June while Maguwu was still in jail, concluded that the minimum requirements in complying with the work plan developed in 2009 had been met. This contrasted with extensive reports by human rights organisations and the media of ongoing violence perpetrated by the armed forces and the continuation of widespread smuggling. Following intense international pressure, Maguwu was eventually released on bail on July 12 after five weeks in police custody.

In recognition of the tremendous courage Maguwu had demonstrated by exposing the rampant human rights violations in Marange, Human Rights Watch honoured him with their Alison Des Forges Award in August 2011.<sup>54</sup>

On July 15, 2010, three days after Maguwu’s release from prison, an agreement was reached with the Harare government at the KP meeting in St Petersburg, Russia, to allow two strictly supervised auctions to take place. Mines Minister Obert Mpofu assured the meeting that Zimbabwe would

---

51 Financial Gazette, ‘Shock report on Chiadzwa diamond fields yet army refusing to leave’, 10 July 2009: <http://forum.newzimbabwe.com/index.php?/topic/4350-shock-report-on-chiadzwa-diamond-fields/>

52 International Crisis Group, ‘Time to rethink the Kimberley Process: The Zimbabwean case’, 4 November 2010, pg 4:

<http://www.crisisgroup.org/en/regions/africa/southern-africa/zimbabwe/op-eds/time-to-rethink-the-kimberley-process-the-zimbabwe-case.aspx>

<sup>53</sup> *SW Radio Africa*, ‘Zim set to be cleared for diamond sales’, 27 May, 2010:

<http://www.swradioafrica.com/news270510/zimdiamonds270510.htm>

<sup>54</sup> *SW Radio Africa*, ‘Activist Farai Maguwu humbled by top rights award’, 12 August 2011:

<http://www.swradioafrica.com/news120811/faria120811.htm>

comply with KP regulations and in August the first public auction took place during which 900,000 carats of Marange diamonds were sold, worth US\$46 million. “US-based Rapaport Diamond Trading Network advised its more than 10,000 international diamond buyer and supplier members to boycott ... and threatened to expel and blacklist anyone taking part in the auction.”<sup>55</sup> [Zimbabwe Reporter claims that the first auction yielded US\$30 million.]<sup>56</sup>

The Telegraph (UK) noted that the auction went ahead after the gems had been certified as conflict-free by KP monitor Abbey Chikane, attracting buyers from Belgium, Russia, India, Israel, Lebanon and the United Arab Emirates. Human rights groups said the deal helped to avert a crisis in the international diamond market since President Mugabe was threatening to sell the diamonds without certification.<sup>57</sup>

Finance Minister Tendai Biti told Parliament in his budget statement in January 2011 that US\$2 million had disappeared from the second auction, which took place in September 2010 and that the money had disappeared at the MMCZ. He told Zimbabwe Reporter that he “only had financial detail on the two ‘limited’ auctions of gems from Marange held in August and September” but that there had been “three subsequent sales which they (MMCZ) have not remitted.”<sup>58</sup>

Human Rights Watch (HRW) issued a press release on November 1, 2010, stating that “the KP should not allow the export of further shipments until there was meaningful progress to end smuggling and abuses by the army.” HRW said they “had learned that the KP team sent in to review conditions in the fields in August [2010]” had been “routinely obstructed by government officials from conducting its activities and had been unable to gather crucial information about conditions in the majority of the diamond fields.”<sup>59</sup>

On March 21, 2011, Mathieu Yamba of the Democratic Republic of Congo (DRC), who took over the revolving position of KP chairman from Boaz Hirsch of Israel, “unilaterally authorised Zimbabwe to resume exports of Marange diamonds .... ‘from the compliant mining operations of Mbada and

---

<sup>55</sup> *International Crisis Group*, ‘Time to rethink the Kimberley Process: The Zimbabwean case’, 4 November 2010, pg 5:

<http://www.crisisgroup.org/en/regions/africa/southern-africa/zimbabwe/op-eds/time-to-rethink-the-kimberley-process-the-zimbabwe-case.aspx>

<sup>56</sup> *Zimbabwe Reporter*, ‘US\$2m vanishes from 2<sup>nd</sup> Marange diamond auction’, 25 January 2011:

<http://zimbabwereporter.com/business/2473.html>

<sup>57</sup> *The Telegraph (UK)*, ‘Zim auctions 900,000 carats of diamonds’ 11 August, 2010:

<http://www.telegraph.co.uk/news/worldnews/africaandindianocean/zimbabwe/7940142/Zimbabwe-auctions-900000-carats-of-diamonds.html>

<sup>58</sup> *Zimbabwe Reporter*, ‘US\$2m vanishes from 2<sup>nd</sup> Marange diamond auction’, 25 January 2011:

<http://zimbabwereporter.com/business/2473.html>

<sup>59</sup> *Human Rights Watch*, ‘Kimberley Process: Demand end to abuses in diamond trade’, media release, 1 November 2010:

<http://www.hrw.org/news/2010/10/29/kimberley-process-demand-end-abuses-diamond-trade>

Canadile [Marange Resources]’.”<sup>60</sup> In response, the European Union argued that the decision was taken without due process and therefore could not stand.<sup>61</sup>

In mid April, the South African government declared its backing for the diamond sales and said Harare had complied with international standards.<sup>62</sup>

At the KP’s Intersessional Meeting in Kinshasa during June, the World Diamond Council President, Eli Izhakoff, urged all KP participants to correct past mistakes and return to the core principles that characterized the KP when it was established. In his address, he stressed that the Kimberley Process system was about *“humanity, not politics”*.

*“At its core, the Kimberley Process is about protecting the right of communities and individuals to derive properly deserved benefit from natural resources.... While we will not agree on everything, we... are firmly committed to a trade in diamonds that is not tainted by conflict...”*<sup>63</sup>

Three days later, however, on 23 June, VOA reported that KP Chairman Mathieu Yamba had “issued an administrative notice announcing ‘with immediate effect’ the approval of the sale of rough stones” from Mbada and Marange Resources. “The text [also] provided for the quick certification of other companies operating in Marange, some Chinese.... Protesting what they considered to be an abandonment of human rights concerns, civil society observers walked out of the plenary meeting on [the] Thursday, refusing to participate and issuing a vote of no confidence in the [KP].”<sup>64</sup>

Human Rights Watch called for consumers not to buy Marange diamonds and urged the KP governments to suspend diamond sales until the Zimbabwean dispute was resolved.

“We have credible reports of beatings, shootings, dogs being set on villagers and other abuses at the hands of the military,” senior HRW researcher Tiseke Kasambala told SW Radio Africa on June 30. “This [decision by the KP chair] is a terrible tragedy for the KP because it erases all the good work it

---

<sup>60</sup> *Rapaport*, ‘KP chair authorises Marange diamond exports’, 21 March, 2011:

<http://www.diamonds.net/fairtrade/Article.aspx?ArticleID=35015>

<sup>61</sup> VOA, ‘New Kimberley Process chairman from DRC clears Zimbabwe diamond sales’, 22 March 2011:

<http://www.voanews.com/zimbabwe/news/Uproar-Within-Diamond-Watchdog-As-Chairman-Unilaterally-Allows-Zimbabwe-To-Sell-Marange-Diamonds-118453084.html>

<sup>62</sup> VOA, ‘South Africa backs Zim in Kimberley Process decision to resume diamond exports’, 15 April 2011:

<http://www.voanews.com/zimbabwe/news/South-Africa-Backs-Zimbabwe-in-Kimberley-Process-Decision-to-Resume-Diamond-Exports-119933179.html>

<sup>63</sup> *Market Direct*, ‘KP is about humanity not politics WDC president tells meeting in Kinshasa’, 20 June 2011:

<http://www.mdirect-business.com/content/kimberley-process-about-humanity-not-politics-wdc-president-tells-meeting-kinshasa>

<sup>64</sup> VOA, ‘Kimberley Process meeting ends without consensus on Zimbabwe diamonds’, 23 June 2011:

<http://www.voanews.com/zimbabwe/news/Kimberley-Process-Meeting-Ends-Without-Consensus-on-Zimbabwe-124439624.html>

has done in the past. The fact that it now refuses to deal with broader issues of human rights is a really sad indictment of the institution.”<sup>65</sup>

The screening on August 8 of a BBC Panorama documentary on the discovery of two torture camps in the Marange diamond fields, one close to Mbada mine, has drawn international condemnation and put further pressure on the KP.<sup>66</sup> (*See Human Rights section for further details*).

PAC’s research director, Alan Martin told SW Radio Africa that what the BBC has uncovered “does not come as a surprise.” He said these kinds of claims have been reported to the KP before.<sup>67</sup>

In the televised interview with the BBC, however, KP spokesperson Nick Westcott said they were not aware of the claims.

“The KP is turning into a big ostrich,” countered Martin. “They are denying very clear and evident examples of ongoing non-compliance at Marange.”<sup>68</sup>

For further information, view the KP Timeline of Events and Decisions on Zimbabwe.

## 7 THE MANAGEMENT OF DIAMONDS IN ZIMBABWE

### 7.1 The Ministry of Mines and Mining Development (MMMD)

The Ministry of Mines and Mining Development (MMMD) is mandated to facilitate development of a sustainable mining sector from exploration and mining to beneficiation and marketing by designing and implementing appropriate mining laws, regulations and programmes. The ministry works in partnership with the Minerals Marketing Corporation of Zimbabwe (MMCZ), the Zimbabwe Mining Development Corporation (ZMDC) and other line ministries and departments.<sup>69</sup>

### 7.2 The Zimbabwe Mining Development Corporation (ZMDC)

The Zimbabwe Mining Development Corporation is a parastatal under the ministry, mandated to pursue mining investments on behalf of government and to intervene in crises to ensure best

---

<sup>65</sup> *SW Radio Africa*, ‘Consumers urged to boycott Zim diamonds’, 30 June 2011:  
<http://www.swradioafrica.com/news300611/consumers300611.htm>

<sup>66</sup> *BBC Panorama*, ‘Diamond Field: Zimbabwe torture camp discovered’, video link, 8 August 2011  
<http://www.bbc.co.uk/news/world-africa-14445087>

<sup>67</sup> *SW Radio Africa*, ‘Chiadzwa torture camps exposed’, 8 August, 2011:  
<http://www.swradioafrica.com/news080811/chiadzwa080811.htm>

<sup>68</sup> *SW Radio Africa*, ‘Chiadzwa torture camps exposed’, 8 August, 2011:  
<http://www.swradioafrica.com/news080811/chiadzwa080811.htm>

<sup>69</sup> *Partnership Africa Canada*, ‘Zimbabwe, Diamonds and the Wrong Side of History’, March 2009, pg 4:  
[http://www.pacweb.org/Documents/diamonds\\_KP/18\\_Zimbabwe-Diamonds\\_March09-Eng.pdf](http://www.pacweb.org/Documents/diamonds_KP/18_Zimbabwe-Diamonds_March09-Eng.pdf)

practice in the government response. ZMDC has been under a European Union embargo since January 2009.<sup>70</sup>

### 7.3 The Minerals Marketing Corporation of Zimbabwe (MMCZ)

The Minerals Marketing Corporation of Zimbabwe is also a parastatal under the jurisdiction of the ministry. It acts as the sole marketing and selling agent for all minerals except gold and silver. It investigates marketing conditions, encourages local beneficiation from the production of minerals and advises the Minister on all matters connected with the marketing of mineral. MMCZ issues all Zimbabwean KP certificates.<sup>71</sup>

## 8 JOINT VENTURES THROUGH THE ZMDC

In July 2009, a Kimberley Process Review Mission visited Marange and concluded there were 'credible indications of significant non-compliance' with the minimum requirements of the Kimberley Process Certification Scheme (KPCS). "Among their chief concerns was the evidence of government involvement in human rights abuses, smuggling and lax controls that compromised the entire chain of production."<sup>72</sup>

The same month, the Ministry of Mines accepted expressions of interest from companies willing to enter into joint ventures agreements to mine in Marange under the auspices of the Zimbabwe Mining Development Corporation.<sup>73</sup>

"While the move was initially billed by Mines Minister Obert Mpofu as evidence of Zimbabwe's efforts to fix concerns raised by the KP Review Mission, the real motivation [was that] the ZMDC lacked the hard currency needed to go it alone. Unsuccessful attempts to finance operations between 2006 and 2008 had already forced the ZMDC to divert US\$12 million in revenues earned from its gold mines to Marange."<sup>74</sup>

---

<sup>70</sup> *Partnership Africa Canada*, 'Zimbabwe, Diamonds and the Wrong Side of History', March 2009, pg 4: [http://www.pacweb.org/Documents/diamonds\\_KP/18\\_Zimbabwe-Diamonds\\_March09-Eng.pdf](http://www.pacweb.org/Documents/diamonds_KP/18_Zimbabwe-Diamonds_March09-Eng.pdf)

<sup>71</sup> *Partnership Africa Canada*, 'Zimbabwe, Diamonds and the Wrong Side of History', March 2009, pg 4: [http://www.pacweb.org/Documents/diamonds\\_KP/18\\_Zimbabwe-Diamonds\\_March09-Eng.pdf](http://www.pacweb.org/Documents/diamonds_KP/18_Zimbabwe-Diamonds_March09-Eng.pdf)

<sup>72</sup> *The Zimbabwean*, 'Marange: Latest victim of the diamond curse', 23 June, 2010: <http://www.thezimbabwean.co.uk/news/32077/marange-latest-victim-of-the-diamond-curse.html>

<sup>73</sup> *Partnership Africa Canada*, 'Diamonds and Clubs', June 2010, pg 5: [http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>74</sup> *Partnership Africa Canada*, 'Diamonds and Clubs', June 2010, pg 5: [http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

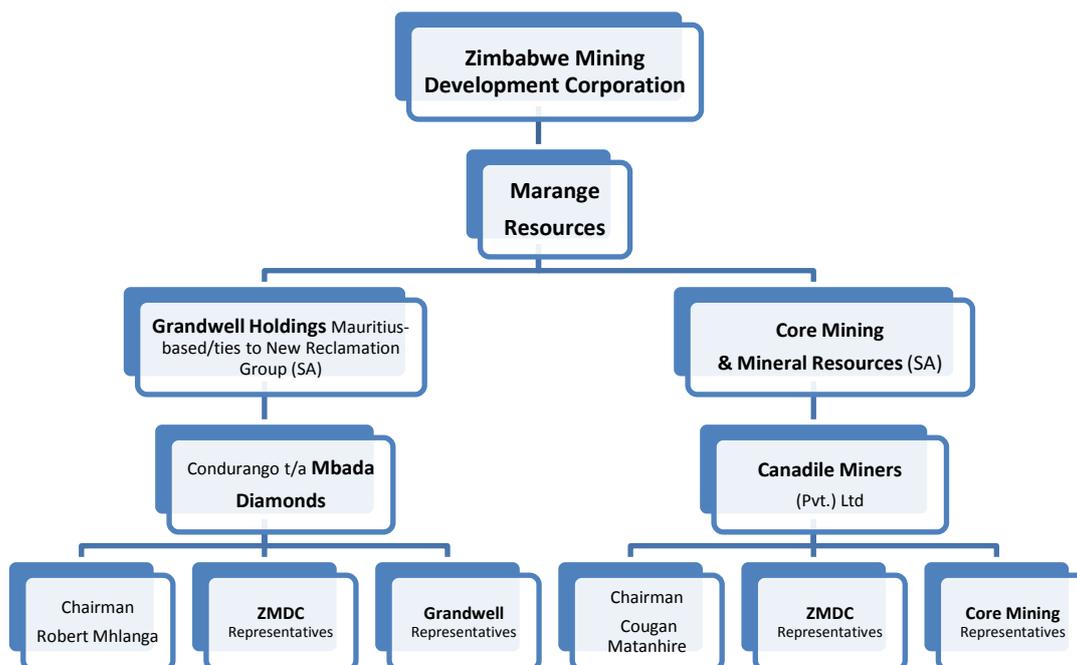
## 9 MARANGE RESOURCES FORMED BY THE ZMDC

“In anticipation of bids, the Zimbabwe Mining Development Corporation created *Marange Resources*, a wholly-owned subsidiary of the ZMDC, to represent its commercial interests.”<sup>75</sup>

Two companies were “cherry-picked” for consideration for joint ventures: “Core Mining Resources, a small, unheard of diamond company based in Kimberley, South Africa, and Grandwell Holdings, a Mauritius-registered company with ties to the New Reclamation Group, a South African scrap metal company.”<sup>76</sup>

“[They] resulted in the incorporation of two new distinct companies in which ZMDC [through Marange Resources] had 50% shares. Grandwell and Marange Resources formed Condurango, which trades as *Mbada Diamonds*. Core Mining Resources formed a new company called *Canadile Miners Private Limited*.”<sup>77</sup>

## 10 ORGANOGRAM 1: MARANGE RESOURCES FORMED BY THE ZIMBABWE MINING DEVELOPMENT CORPORATION



Memoranda of Agreement were signed with the ZMDC in July 2009 and final agreements in October.

<sup>75</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 5:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>76</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 5:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>77</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 5:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

The initial board members were confirmed by Dominic Mubayiwa, the CEO of the ZMDC, as follows:

### **Mbada Board**

Chairman:

- Robert Mhlanga [President Mugabe's former helicopter pilot and a cousin of Mines Minister Obert Mpofu. Made a fortune in the DRC in the late 1990s when Zimbabwean troops were sent in by President Mugabe].

ZMDC representatives:

- Sithengisiso Mpofu [sister-in-law to Minister of Mines, Obert Mpofu]
- Dingiswayo Ndlovu [personal assistant to the minister]
- Chrystesona Kanjoma
- One vacancy

Grandwell Representatives:

- Paolo Kasasola
- Chad Smart
- David Kassel
- Two vacancies

### **Canadile Board**

Chairman:

- Cougan Matanhire

ZMDC Representatives:

- Dominic Mubayiwa [Chief Executive Officer, ZMDC]
- Alvin Ncube
- Beauty Moyo
- Mrs G. Chikwava<sup>78</sup>

---

<sup>78</sup> *The Zimbabwean*, 'The Chiadzwa gang: Shady individuals and fugitives', 25 June 2010:

<http://www.thezimbabwean.co.uk/news/32076/the-chiadzwa-gang-shady-individuals-and-fugitives.html>

<sup>78</sup> *The Zimbabwean*, 'The Chiadzwa gang: Shady individuals and fugitives', 25 June 2010:

Core Mining Representatives:

- Lovemore Kurotwi [retired officer who played a senior role in the Gukurahundi massacres in Matabeleland and nephew of the late Lt. Gen. Vitalis Zvinvashe, retired former Commander of the Zimbabwe Defence Forces].
- Adrian Taylor [alleged to have worked as a mercenary in Sierra Leone].
- Yehuda Licht [Israeli diamond dealer, believed to have spent time in jail in Angola on diamond-related smuggling offences].
- Danesh and Ashok Pandeya [active diamond smugglers in the DRC conflict. They claim to be partners of high-level people in the Zimbabwe government. Ashok is on the police wanted list in Thailand over fraud involving diamonds worth US\$100 million].<sup>79</sup>

Mbada Diamonds and Canadile Miners (Pvt) Ltd were given licences to begin mining two of five mining zones with diamond resources in Marange.<sup>80</sup> *No transparent procedures were followed.*<sup>81</sup>

Each company was granted a concession of 2,100 hectares in the Marange diamond fields. In return, the companies undertook to invest US\$100 million in the form of equipment and machinery that would be used for building physical processing, water, road and security infrastructure. They also agreed to share equally the costs of relocating 4,207 households within and around the mining fields.<sup>82</sup>

In January 2010, just three months after the final agreements had been signed with the ZMDC, Mbada and Canadile were ordered by the Supreme Court to cease their operations pending the finalisation of a diamond claims ownership wrangle with African Consolidated Resources (ACR), which had challenged their activities in the courts. ACR had been fighting in the courts to regain its claims seized by the government in 2006 and given to ZMDC and then to Mbada and Canadile.

Within their limited operating period, the two companies were reported to have realised US\$70 million worth of diamonds.<sup>83</sup>

---

<http://www.thezimbabwean.co.uk/news/32076/the-chiadzwa-gang-shady-individuals-and-fugitives.html>

<sup>79</sup> *The Zimbabwean*, 'The Chiadzwa gang: Shady individuals and fugitives', 25 June 2010:

<http://www.thezimbabwean.co.uk/news/32076/the-chiadzwa-gang-shady-individuals-and-fugitives.html>

<sup>80</sup> *Rapaport*, 'Timeline of Events at Marange Diamond Fields', February 2011:

[http://www.diamonds.net/cms/Zimbabwe/docs/Marange\\_Timeline-041110-2](http://www.diamonds.net/cms/Zimbabwe/docs/Marange_Timeline-041110-2)

<sup>81</sup> *The Zimbabwe Independent*, 'Diamond companies make a killing', 19 March, 2010:

<http://www.theindependent.co.zw/local/25807-diamond-companies-make-a-killing.html>

<sup>82</sup> *Zim Online*, 'Full text: KP Monitor's report', 13 April 2010:

<http://www.zimonline.co.za/Article.aspx?ArticleId=5908>

<sup>83</sup> *Zimbabwe Independent*, 'Police join diamond rush', 29 April 2010:

<http://www.theindependent.co.zw/local/26335-police-join-diamond-rush-.html>

In March, the state-controlled Herald newspaper reported that the chairperson of Canadile, Cougan Matanhire, told the Parliamentary Portfolio Committee on Mines and Energy that they had only been allocated 1,050 hectares of land and were holding discussions with the relevant authorities regarding their request to be given more land. He claimed they had brought US\$100 million from South Africa and it did not make business sense as the exploration work would only last for eight months.

He said that, when they were negotiating with the ZMDC, they negotiated for the entire claim, “including the land that Mbada is now mining.”<sup>84</sup>

On May 10, Zimbabwean military commanders were reported to be issuing military work permits to Chinese soldiers to operate in the Marange diamond fields following a secret memorandum of understanding signed with Chinese authorities. This was said to have been facilitated by Army Commander General Constantine Chiwenga during his numerous trips to the Far East. The permits were said to be in exchange for military hardware.<sup>85</sup>

On May 16, it was reported that a Chinese company, rumoured to be owned by the Chinese military, had received rights to mine diamonds in Zimbabwe's Marange area. The company, named Anjin, had reportedly moved to Chiadzwa two months previously and had begun preparatory work there.<sup>86</sup>

## 11 CANADILE DUMPED AMID FRAUD CLAIMS

On November 4, it was reported that five officials from ZMDC and Lovemore Kurotwi, from Canadile, had been arrested over an alleged US\$2 billion fraud. Canadile's operations had been suspended, its equipment confiscated and its directors barred from entering the country.<sup>87</sup>

The ZMDC, through Marange Resources, assumed total control of the diamond claims held by Canadile.

---

<sup>84</sup> *The Herald*, 'Canadile wants more land at Chiadzwa', 24 March 2010:

<http://allafrica.com/stories/201003240658.html>

<sup>85</sup> *Southern Africa Resource Watch*, 'Chinese soldiers hired to mine Marange diamonds', 10 May 2010:

<http://www.sarwatch.org/india/124-mining-and-politics-in-zimbabwe/1348-chinese-soldiers-hired-to-mine-marange-diamonds-.html>

<sup>86</sup> *Diamond Intelligence Briefs*, 'Chinese firm reported to have been awarded Chiadzwa mining rights', 16 May 2010:

<http://www.diamondintelligence.com/magazine/magazine.aspx?id=8694>

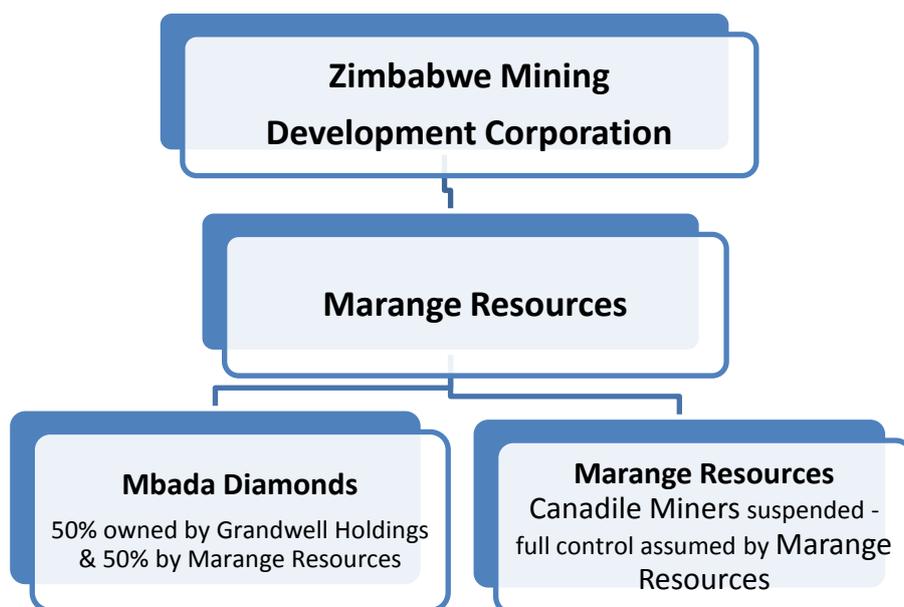
<sup>87</sup> *New Zimbabwe*, 'Six held over \$2bn Marange fraud', 4 November 2010:

<http://www.newzimbabwe.com/news/news.aspx?newsID=3720>

## 12 ORGANOGRAM 2: RESTRUCTURING OF MARANGE RESOURCES BY THE ZIMBABWE MINING DEVELOPMENT CORPORATION

Canadile Miners operations suspended [November 2010]

Joint Venture Partner – Marange Resources – takes control [December 2010]



### 12.1 Three additional mining licenses granted

On November 9, 2010, it was reported that the Zimbabwe government had licensed three more diamond investors to extract gems in the Chiadzwa district. The licenses had been granted to:

- Sino-Zimbabwe, a joint commercial entity between the Chinese government and Zimbabwe, with interests in various sectors
- Anjin, a Chinese company and
- Pure Diamonds, a Lebanese firm.<sup>88</sup>

A week later, InvestigativeZim.com visited ARDA<sup>89</sup> Transau Farm, a previously successful commercial farm where twelve Chiadzwa families had been “resettled” by Anjin. The journalist found them living in dire conditions and extreme poverty on the now rundown property.

<sup>88</sup> *Diamond News*, Government of Zimbabwe: ‘Three new diamond miners licensed’, 9 November 2010:

<http://www.diamondne.ws/2010/11/09/government-of-zimbabwe-three-new-diamond-miners-licensed/>

<sup>89</sup> ARDA: The Agricultural Rural Development Authority

“While the government and the KPCS this week revelled in the limelight of finally settling the contentious issue of Marange diamonds, the lives of these families tell a story of unfulfilled promises, poor planning and lack of care for citizens by a government only too concerned with milking resources, the journalist wrote.”<sup>90</sup>



*Families evicted from Chiadzwa have been forced to live in barns on a rundown farm*

Photograph: Sherperd Tozvireva – InvestigativeZim.com

On November 20, it was reported that an official of Core Mining, the South African company ejected from the Marange diamond fields, had accused a cartel of ZANU PF vultures of staging a hostile takeover of the firm’s mining claims. The official said he feared that US\$70 million worth of stockpiled gems could disappear from its vault unless urgent action was taken.<sup>91</sup>

In response, the ZMDC said the joint venture agreement signed between Marange Resources and Core Mining of South Africa was fraudulently signed and no longer binding.<sup>92</sup>

An official from Core Mining, a 50% shareholder of Canadile, made an urgent application to the High Court to prevent Canadile’s stockpile from being sold without its approval.<sup>93</sup>

---

<sup>90</sup> *InvestigativeZim.com*, ‘families evicted from Zimbabwe’s diamond fields forced to live in barns’, 16 November, 2010:

<http://investigativezim.com/2010/11/16/families-evicted-from-zimbabwes-diamond-fields-forced-to-live-in-barns/>

<sup>91</sup> *The Zimbabwean*, ‘Canadile official spills the beans’, 20 November 2010:

<http://www.thezimbabwean.co.uk/news/35693/canadile-official-spills-the-beans.html>

<sup>92</sup> *Diamond News*, ‘Zimbabwe Gov newspaper: Diamond joint venture dead’, 30 November 2010:

<http://www.diamondne.ws/2010/11/30/zimbabwe-gov-newspaper-diamond-joint-venture-dead/#ixzz1T1ph26Fn>

<sup>93</sup> *Rough & Polished*, ‘Core Mining ‘black-list diamonds from disputed mine’, 6 December 2010:

<http://www.rough-polished.com/en/news/45342.html>

Zimbabwe's Sunday Standard wrote on April 24, 2011 that the government had said the KP Monitor, Abbey Chikane, no longer had a role to play [in Zimbabwe] "since the country has complied with the international body's provisions to sell the Marange diamonds".<sup>94</sup>

The following day, VOA News announced that India's Revenue Intelligence Directorate had arrested two Indian nationals for smuggling an estimated US\$2 million worth of diamonds from Marange into the city of Surat the previous week. They had failed to produce the required Kimberley Process certificate and had been caught trying to sell the gems.<sup>95</sup>

In response, the Centre for Research and Development (CRD) demanded the resignation of Mines Minister Obert Mpofu due to the Ministry's failure to ensure the security and transparency of the country's diamond trade. The CRD statement said this was "prejudicing the government of revenue that could make a difference in the lives of the suffering Zimbabwean people..."<sup>96</sup>

By May 2, Minister Obert Mpofu was said to be fighting for his political life as a result of the latest smuggling scandal. The previous year, Core Mining director Lovemore Kurotwi had allegedly accused Mpofu of asking for a US\$10 million bribe for mining favours. Although Kurotwi was arrested soon afterwards, President Mugabe did not take action against Mpofu.<sup>97</sup>

The web of intrigue intensified on May 9 when it was reported that Sino-Zimbabwe had laid off most of its workers in Chiadzwa "amid concerns that its mining claims in the diamond mining area may not have meaningful resources to operate a viable mine", which would "justify huge investment".<sup>98</sup>

The article noted that two companies, Marange Resources and Mbada, were already exporting. "Anjin", it said, "has so far extracted over a million carats of rough diamonds and now awaits the Kimberley Process certification to start exporting." The journalist said Zimbabwe had so far exported diamonds worth about US\$174 million under the KPCS.<sup>99</sup>

---

<sup>94</sup> *Zimbabwe Standard*, 'No need for KP Monitor – Mpofu', 24 April 2011:

<http://www.thestandard.co.zw/business/29406-no-need-for-kp-monitor--mpofu.html>

<sup>95</sup> *VOA News*, 'India arrests two found in possession of smuggled Zimbabwean diamonds', 25 April 2011:

<http://www.voanews.com/zimbabwe/news/India-Arrests-Two-Found-With-Smuggled-Zimbabwean-Diamonds-120641529.html>

<sup>96</sup> *Zimbabwe Metro*, 'Mines Minister Obert Mpofu must hand in resignation', 29 April 2011:

<http://www.zimbabwemetro.com/opinion/mines-minister-obert-mpofu-must-hand-in-his-resignation/>

<sup>97</sup> *Daily News*, 'Mpofu must go', 2 May 2011:

<http://dailynews.co.zw/index.php/news/53-top-story/2323-mpofu-must-go.html>

<sup>98</sup> *New Zimbabwe*, 'No diamonds in Marange, Chinese firm shuts down', 9 May 2011:

<http://newsdzezimbabwe.wordpress.com/2011/05/09/no-diamonds-in-marange-chinese-firm-shuts-down/>

<sup>99</sup> *New Zimbabwe*, 'No diamonds in Marange, Chinese firm shuts down', 9 May 2011:

<http://newsdzezimbabwe.wordpress.com/2011/05/09/no-diamonds-in-marange-chinese-firm-shuts-down/>

A week later, on May 14, Mpfu told a Daily News reporter that displaced Chiadzwa villagers would only be compensated after the international community had allowed Zimbabwe to sell its diamonds.

“We will only get the money to compensate the villagers when our diamonds are sold freely internationally,” he said.<sup>100</sup>

On June 23, 2011, Mpfu announced that the KPCS had granted Mbada and Marange Resources permission to sell their diamonds without supervision “after they had fully complied with its requirements”.<sup>101</sup>

### 13 CONTROVERSIAL RELATIONS WITH CHINA

In July 2005, President Mugabe flew to Beijing, secured an emergency loan of US\$1 billion and invited increased Chinese involvement in Zimbabwe’s economy. By June 2006, his visit had begun to bear fruit. State-owned Zimbabwean businesses had signed energy, mining and farming deals worth billions of dollars with Chinese companies.<sup>102</sup>

When foreign minister Yang Jiechi visited Zimbabwe in February, bearing gifts in the form of soft loans, he pledged to invest US\$10 billion.<sup>103</sup> Jiechi praised Zimbabwe for its indigenisation policy, but stressed that Chinese investments should be exempted. Minister of Indigenisation, Saviour Kasukuwere, was quoted in the media as saying China would not be affected by Zimbabwe’s indigenisation laws.<sup>104</sup>

China stands to gain much from its extensive investments in the mining sector. All revenues from the Zimbabwe government's joint diamond venture with Anjin over the next 20 years may already have been mortgaged to Beijing to pay off the contentious US\$98 million loan<sup>105</sup> to build a vast techno-spy and communications base, the Robert Mugabe School of Intelligence, outside Harare.

---

<sup>100</sup> *Zim Eye*, ‘No compensation for displaced Chiadzwa villagers – Minister’, 14 May 2011:

<http://www.zimeye.org/?p=29882>

<sup>101</sup> *Zim Daily*, ‘Kimberley Process gives Mbada the nod to sell Marange diamonds’, 23 June, 2011:

<http://www.zimdaily.com/news/2011/06/23/kimberly-process-gives-mbada-the-nod-to-sell-marange-diamonds/>

<sup>102</sup> *The Zimbabwean*, ‘Sino relations, who benefits?’, 13 April, 2011:

<http://www.thezimbabwean.co.uk/comment/38907/sino-zimbabwe-relations--who-benefits.html>

<sup>103</sup> *The Zimbabwean*, ‘Sino relations, who benefits?’, 13 April, 2011:

<http://www.thezimbabwean.co.uk/comment/38907/sino-zimbabwe-relations--who-benefits.html>

<sup>104</sup> *The Zimbabwean*, ‘Sino relations, who benefits?’, 13 April, 2011:

<http://www.thezimbabwean.co.uk/comment/38907/sino-zimbabwe-relations--who-benefits.html>

<sup>105</sup> *The Zimbabwean*, ‘Chiadzwa diamonds to pay Chinese spy centre loan as Zvoma misleads MPs’, 17 June 2011: <http://www.thezimbabwean.co.uk/news/zimbabwe/50190/chiadzwa-diamonds-to-pay-chinese.html>

A section within the agreement states that the income from Marange diamonds mined by Anjin and Zimbabwe Mining Development Corporation (ZMDC) will be “placed in a special account for direct transfer to Beijing, without going through the treasury.”<sup>106</sup>

During a meeting with one of President Mugabe’s most senior intelligence chiefs, the Daily Mail (UK) was told that there was “a memorandum of understanding between China and Zimbabwe – Beijing supplies weapons to us and we allow them to mine diamonds”. The arms were being handed out to the military in preparation for a brutal new crackdown against opponents, he was told.<sup>107</sup>

#### 14 AIRSTRIP BUILT IN CHIADZWA



*Aerial photograph showing the early stages of the construction of Mbada's airstrip at Chiadzwa*

At the end of November 2009, Mbada chairman Robert Mhlanga told a government taskforce visiting Marange that a private investigator was being sought to construct a runway for the diamond fields. He said this would allow diamonds from the area to be flown to Harare in a more secure condition. “We are also constructing a diamond handling facility at the Harare International airport....” he said.<sup>108</sup>

<sup>106</sup> *The Zimbabwean*, ‘Chiadzwa diamonds to pay Chinese spy centre loan as Zvoma misleads MPs’, 17 June 2011: <http://www.thezimbabwean.co.uk/news/zimbabwe/50190/chiadzwa-diamonds-to-pay-chinese.html>

<sup>107</sup> *The Daily Mail*: “Robert Mugabe’s darkest secret”, 18 September 2010: <http://www.dailymail.co.uk/news/article-1313123/Robert-Mugabes-darkest-secret-An-800bn-blood-diamond-run-Chinas-Red-Army.html>

<sup>108</sup> *Zim Online*, ‘Runway for Zim diamond field’, 25 November 2009: <http://www.zimonline.co.za/Article.aspx?ArticleId=5421>

Two months later, Zim Online reported that diamonds from Chiadzwa had been airlifted to Harare without monitoring by the Mineral Marketing Corporation of Zimbabwe (MMCZ), police or any other authority in the country, in what appeared a clear violation of KP calls for maximum transparency.<sup>109</sup>

“Acting head of marketing at the MMCZ .... Masimba Chandavengerwa, told Parliament's mines and energy committee that although his organisation evaluates and monitors the diamonds, it has not been represented when the gems are airlifted from Mutare to Harare,” Zim Online noted.<sup>110</sup>

According to the report, when ZANU PF legislator Simbaneuta Mudarikwa asked if the MMCZ was aware of the airlifting of diamonds from Chiadzwa, Chandavengerwa stunned the committee [by] saying: "At the moment, [the airlifting is being done] without our knowledge."<sup>111</sup>

“The MMCZ acting boss also conceded that handling of diamonds at Chiadzwa ....still fell short of KP standards - two months after Harare promised to act to review operations at the diamond field to ensure compliance with the requirements [of the KP].”

## 15 BEYOND REASONABLE GREED – MASS SCALE CORRUPTION AND SMUGGLING

*“A mine is a hole in the ground with a fool at the bottom and a liar at the top.”*

Attributed to Mark Twain

“Every day millions of dollars’ worth of diamonds leave Zimbabwe from the world’s richest diamond field. But none of that money reaches the country’s desperate poor. Who are the men plundering a nation’s future?” This is the question posed by the Sunday Times (UK) in an article titled “Robert Mugabe’s dirty diamonds”, dated April 4, 2010.<sup>112</sup>

In 2006, the Sunday Times wrote, Marange was being mined by hand [which is known to be slow, tedious and dangerous work]. “Now that President Mugabe’s inner circle has seized the field, state-of-the-art machinery extracts thousands of carats an hour,” continued the Sunday Times.<sup>113</sup>

After African Consolidated Resources (ACR) had been evicted from the diamond fields at the close of 2006, there was an initial uncontrollable free-for-all. Diamonds were smuggled out via Mozambique and South Africa, then shipped to Europe, India and the Middle East for cutting and polishing.

<sup>109</sup> *Zim Online*, ‘No one monitoring airlifting of Chiadzwa diamonds’, 2 February 2010:

<http://www.zimonline.co.za/Article.aspx?ArticleId=5663>

<sup>110</sup> *Zim Online*, ‘No one monitoring airlifting of Chiadzwa diamonds’, 2 February 2010:

<http://www.zimonline.co.za/Article.aspx?ArticleId=5663>

<sup>111</sup> *Zim Online*, ‘No one monitoring airlifting of Chiadzwa diamonds’, 2 February 2010:

<http://www.zimonline.co.za/Article.aspx?ArticleId=5663>

<sup>112</sup> *Sunday Times (UK)*, ‘Robert Mugabe’s dirty diamonds’, 4 April 2010:

<http://www.timesonline.co.uk/tol/news/world/africa/article7084367.ece>

<sup>113</sup> *Sunday Times (UK)*, ‘Robert Mugabe’s dirty diamonds’, 4 April 2010:

<http://www.timesonline.co.uk/tol/news/world/africa/article7084367.ece>

“Police operations to quell the smuggling targeted only the small players, leaving alone the powerfully connected smugglers and buyers, who operate with impunity.”<sup>114</sup>

“These so-called diamond barons were working for the personal accounts of a select wealthy few, the sharks at the top of the military and security services — people such as General Constantine Chiwenga, the ambitious, thuggish army chief; Emmerson Mnangagwa, the wealthy defence minister; the late General Solomon Mujuru, [former commander of the national army], and his wife, Joice, [President] Mugabe’s vice-president; Gideon Gono, governor of the [Reserve Bank of Zimbabwe] and Augustine Chihuri, the powerful police chief. And, of course, the Mugabes themselves.”<sup>115</sup>

Since the political elite are intimately tied to the military establishment, the Joint Operations Command (JOC), they constitute a “rebel movement” opposed to the democratic governance in Zimbabwe.<sup>116</sup> The true power brokers of Zimbabwean politics are the members of JOC.<sup>117</sup>

Although the late General Solomon Mujuru was not a member of JOC, as previous head of the military and, through his wife, he controlled some formidable levers of power in his own right. Among them was ZANU’S Politburo, the most powerful party organ. “The Mujuru’s strategy is to consolidate their control of internal ZANU structures, build behind-the-scenes alliances with the MDC and present themselves as compromise candidates once Mugabe dies,” explained PAC.<sup>118</sup>

The late General Mujuru was also a shareholder in ACR, from which PAC claims many of the company’s problems stemmed. “ACR contends that his share is no bigger than 3%, worth a monetary value of £240,000. Nobody believes that.”<sup>119</sup>

By Friday 19 August 2011, speculation regarding the death of the legendary General Mujuru in a fire in the farmhouse of his Beatrice farm had reached fever pitch. Relatives, friends and political allies told the Zimbabwe Independent that, as facts of the events and circumstances leading to his death became clear, they “pointed to a damning conclusion of a sinister plot”.

---

<sup>114</sup> *Sunday Times (UK)*, ‘Robert Mugabe’s dirty diamonds’, 4 April 2010:

<http://www.timesonline.co.uk/tol/news/world/africa/article7084367.ece>

<sup>115</sup> *Sunday Times (UK)*, ‘Robert Mugabe’s dirty diamonds’, 4 April 2010, pg 4:

<http://www.timesonline.co.uk/tol/news/world/africa/article7084367.ece>

<sup>116</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 2:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>117</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 7:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>118</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 7:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>119</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 9:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

Mujuru, it was pointed out, “was involved in a fight with government over the Marange diamonds as part of ACR”.<sup>120</sup>

And there was more to come. The Zimbabwe independent said the plot thickened further when it was taken into account that Mujuru’s most trusted diamond dealer, Bothwell Hlahla, had died in a car accident in Mutare a few days before the fire at Mujuru’s farmhouse.<sup>121</sup>

The figure at the centre of Zimbabwe’s controversial mining operations is the Minister of Mines, Obert Mpofu, who entered into joint ventures with companies with “questionable records”. But, he assured members of the Parliamentary Committee on Mines and Energy, this was normal as it was “virtually impossible to find reputable partners in the diamond industry”.<sup>122</sup>

A controversial figure, Mpofu has been implicated in extensive fraud, including a US\$2 billion diamond fraud case. In March 2010, Mpofu attracted the interest of a parliamentary committee investigating the plunder of the Chiadzwa diamond fields when he went on a massive property buying spree.<sup>123</sup> He owns several properties in Bulawayo including one of the tallest buildings in the city, York House. The minister also bankrolled the building of a luxury casino, owns about 27 properties in Victoria Falls and two cruise boats on the Zambezi.<sup>124</sup>

### 15.1 Police involvement in illegal mining and smuggling

Human Rights Watch (HRW) noted in their report, ‘Diamonds in the Rough’, that Operation Chikorokoza Chapera (November 2006) was marked by “human rights abuses by the police, as well as corruption, extortion and the smuggling of diamonds.” HRW said that “police coerced local miners to join syndicates that would provide the police with revenue from the sale of diamonds that the miners found.”<sup>125</sup>

A police officer in Harare told HRW that “There are two different police teams operating in Marange: regular police who are based [there], and ‘reaction teams’ of rotating support units who would raid both the police and the local miners. [They] were effectively advance teams to clear the diamond

---

<sup>120</sup> *Zimbabwe Independent*, “Mujuru allies cry ‘murder most foul’”, Friday 19 August, 2011:

<http://www.theindependent.co.zw/local/32126-mujuru-allies-cry-murder-most-foul.html>

<sup>121</sup> *Zimbabwe Independent*, “Mujuru allies cry ‘murder most foul’”, Friday 19 August, 2011:

<http://www.theindependent.co.zw/local/32126-mujuru-allies-cry-murder-most-foul.html>

<sup>122</sup> *Partnership Africa Canada*, ‘Diamonds and Clubs’, June 2010, pg 3:

[http://www.pacweb.org/Documents/diamonds\\_KP/Zimbabwe-Diamonds\\_and\\_clubs-eng-June2010.pdf](http://www.pacweb.org/Documents/diamonds_KP/Zimbabwe-Diamonds_and_clubs-eng-June2010.pdf)

<sup>123</sup> *The Standard (Zimbabwe)*, ‘Obert Mpofu’s property-buying spree raises eyebrows’, 27 March, 2010:

<http://www.thestandard.co.zw/local/23943-obert-mpofus-property-buying-sprees-raises-eyebrows-.html>

<sup>124</sup> *The Standard (Zimbabwe)*, ‘Obert Mpofu’s property-buying spree raises eyebrows’, 27 March, 2010:

<http://www.thestandard.co.zw/local/23943-obert-mpofus-property-buying-sprees-raises-eyebrows-.html>

<sup>125</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 19:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

fields... [for] an [incoming] team of miners accompanying a senior ZANU PF politician or military officer.”<sup>126</sup>

On April 29, 2010, The Zimbabwe Independent reported that Police Commissioner-General Augustine Chihuri had written to Mines Minister Obert Mpofu asking for a mining concession for the law enforcement agency in Marange. “Honourable minister, after scanning the environment and a thorough analysis of the opportunities available, I wish to submit the Zimbabwe Republic Police’s application for the areas in Chiadzwa, Marange, marked on the map appended to the attached company profile. I hope and trust that this application will meet with your favourable consideration.”<sup>127</sup>

### 15.2 Defence Forces involvement in illegal mining and smuggling

According to Human Rights Watch, “The government’s decision in October 2008 to deploy the Zimbabwe Defence Forces – which comprise the Zimbabwe National Army and the Air Force of Zimbabwe – to the Marange diamond fields appears to have been a response to the lawlessness and chaos in the fields and the police’s inability to control it.... Instead of law and order, however, HRW found that the army had committed numerous and serious human rights violations, including extrajudicial killings, beatings, torture, forced labor and child labour.... The army has also been engaged fully and openly in the smuggling of diamonds...”<sup>128</sup>

### 15.3 Beneficiaries of illicit diamond trade

HRW’s research also suggests “that the police and military have benefited greatly from access to Marange’s mineral wealth”. Although it was not possible to trace the proceeds of the diamond sales, HRW “believes that the revenue from the gems mined by the police and military has also enriched senior ZANU PF officials and provided an important revenue stream for the Reserve Bank of Zimbabwe, which is underwriting ZANU PF activities as well as military operations”.<sup>129</sup>

### 15.4 Role of Reserve Bank of Zimbabwe

HRW research notes that “the Reserve Bank, which had no legal status to buy diamonds until the end of January 2009, has been a major buyer of illegal diamonds from Marange since as early as 2006. In so doing, it violates the Precious Stones Trade Act by buying diamonds from unlicensed miners and other illegal sources...”<sup>130</sup>

---

<sup>126</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 47:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>127</sup> *Zimbabwe Independent*, ‘Police join diamond rush’, 29 April 2010:

<http://www.theindependent.co.zw/local/26335-police-join-diamond-rush-.html>

<sup>128</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 28:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>129</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 47:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>130</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 49:

## 15.5 Transparency International's Corruption Perceptions Index for 2010

Given the extent of the well-publicised corruption in Zimbabwe, it's not surprising that the country ranked 134 out of 178 on Transparency International's Corruption Perceptions Index for 2010, with Somalia being ranked the worst of all. Zimbabwe falls into the 'Highly Corrupt' category, which it shared on a parallel ranking with countries like Nigeria and Sierra Leone.<sup>131</sup>

## 16 HUMAN RIGHTS ABUSES

### 16.1 Beaten, brutalised, mown down from helicopters and buried alive

*"The attacks... left the deepest scars, and it wasn't just the guns"*

Hilary Andersson, BBC Panorama documentary<sup>132</sup>

This section includes information from the BBC Panorama documentary of August 8, 2011, which has once again raised the profile of gross human rights abuses in Marange. It also elaborates on the shocking abuses that took place during Operation Chikorokoza Chapera and Operation Hakudzokwi, and gives an update of the situation in areas controlled by the private mining companies.



*Beatings by the police and army are relentless and inflicted to cause maximum injury*<sup>133</sup>

---

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>131</sup> Transparency International, 'Corruption Perceptions Index 2010', (click on 'Read Report')

[http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2010/results](http://www.transparency.org/policy_research/surveys_indices/cpi/2010/results)

<sup>132</sup> BBC Panorama, 'Soldiers tell of Zimbabwe massacre', video link, 8 August, 2011

[http://news.bbc.co.uk/panorama/hi/front\\_page/newsid\\_9556000/9556242.stm](http://news.bbc.co.uk/panorama/hi/front_page/newsid_9556000/9556242.stm)

<sup>133</sup> Diamond Certification Laboratory of Australia, 'Zimbabwe diamond export ban ends, despite objections',

1 June, 2011:

Since the discovery of the Marange diamond fields in June 2006, the impoverished but previously peaceful Chiadzwa district has been the epicentre of horrifying violence, vicious cruelty and mass-scale exploitation. Five years on, gross human rights abuses are still taking place, perpetrated by soldiers from the Zimbabwe Defence Forces and the Zimbabwe Republic Police.

Witnesses who met with the BBC Panorama crew at a remote rendezvous on the Mozambique border told of a torture camp, known locally as 'Diamond Base', located in the diamond fields and run by soldiers and police. Ringed with razor wire, it is near an area known as Zengeni and is less than 2km from Mbada. A second camp is located in nearby Muchena.<sup>134</sup>

The prisoners are mainly civilians recruited to mine diamonds for the police or military and they're being punished for demanding too much pay or for mining for themselves. "It's a place of torture where sometimes miners are unable to walk on account of the beatings," a victim who was released from the main camp in February told the BBC.<sup>135</sup>

A released prisoner explained, "They beat us 40 whips in the morning, 40 in the afternoon and 40 in the evening..."<sup>136</sup> In South Africa, the BBC spoke to a former member of a paramilitary police unit who had worked in the camp in 2008. He admitted to torturing prisoners by carrying out mock drownings, burning or setting trained dogs on them.<sup>137</sup>

A former member of a paramilitary police unit told the BBC that a woman was bitten on the breast by the dogs while he was working in the camp.<sup>138</sup> "I do not think she survived," he said. A witness saw a dog trainer set his dog on a prisoner whose hands had been handcuffed behind his back. He was bleeding profusely, his ear was torn off and his finger was nearly severed. His whole body was covered in blood."<sup>139</sup>

Witnesses said the camps had been operating for at least three years.

"The three top officials implicated in ordering the operation are Robert Mugabe, Constantine Chiwenga and Perence Shiri – the same men behind the Gukurahundi massacres of the mid-

[http://dclacertificationlaboratory.blogspot.com/2011\\_06\\_01\\_archive.html](http://dclacertificationlaboratory.blogspot.com/2011_06_01_archive.html)

<sup>134</sup> *BBC Panorama*, 'Diamond field: Zimbabwe torture camp discovered', 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>135</sup> *BBC Panorama*, *Marange diamonds: 'Zim denies torture camp'*, 9 August 2011:

[http://www.bbc.co.uk/news/world-africa-14468116#story\\_continues\\_1](http://www.bbc.co.uk/news/world-africa-14468116#story_continues_1)

<sup>136</sup> *BBC Panorama*, 'Diamond field: Zimbabwe torture camp discovered', (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>137</sup> *BBC Panorama*, 'Diamond field: Zimbabwe torture camp discovered', 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>138</sup> *SW Radio Africa*, 'Chiadzwa torture camps exposed', 8 August 2011:

<http://www.swradioafrica.com/news080811/chiadzwa080811.htm>

<sup>139</sup> *BBC Panorama*, 'Diamond field: Zimbabwe torture camp discovered', (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

1980s".<sup>140</sup> In September last year, Gukurahundi was finally classified as a genocide by the internationally-recognised group Genocide Watch.

## 16.2 Operation Chikorokoza Chapera – November 2006

In Marange from November 2006, "police were responsible for serious abuses – including killings, torture, beatings, and harassment.... Miners described colleagues being buried alive. A police officer working with a reaction team told Human Rights Watch (HRW) of orders from senior officers to 'shoot on sight' miners found in the diamond fields. Villagers described arbitrary arrests, beatings and harassment that by May 2008 had swamped the local prison with 1,600 prisoners, 1,300 more than its capacity."<sup>141</sup>

Between November 1 and November 12, 107 bodies, many with visible bullet wounds, were brought from Marange to the morgue at Mutare Hospital.<sup>142</sup> Corruption, extortion and the smuggling of diamonds was also rife and the police, many of whom were corrupt, set up checkpoints to restrict access to the Marange area.<sup>143</sup>

## 16.3 Operation Hakudzokwi – October 27, 2008

Two years after the illegal panning operation began, the policing of the diamond fields was disintegrating into anarchy; the country was virtually bankrupt and the poorly-paid armed forces were disgruntled and restive, posing a growing threat to ZANU PF's hold on power. It was time for another "operation".

Planned by military intelligence to reward and appease the rank and file, this was an army operation that lasted for three devastating weeks. Known as Operation Hakudzokwi (No Return), it was a period of incomprehensible violence and cruelty.

Soldiers told HRW that there were "incentive packages [which] came in two parts. Soldiers on mission in Marange would get special allowances direct from the Reserve Bank and then be offered a "once-in-a-lifetime" opportunity to benefit directly from diamond smuggling."<sup>144</sup>

Operation Hakudzokwi began suddenly around 7am on October 27. "Five military helicopters with mounted automatic rifles flew over the Chiadzwa and began driving out local miners. On the

---

<sup>140</sup> *SW Radio Africa*, 'Evidence of Chiadzwa massacre could be used to prosecute Mugabe', 10 August 2011

<http://www.swradioafrica.com/news100811/evidence100811.htm>

<sup>141</sup> *Human Rights Watch*, 'Diamonds in the Rough', June 2009, pg 4:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>142</sup> *Human Rights Watch*, 'Diamonds in the Rough', June 2009, pg 4:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>143</sup> *Human Rights Watch*, 'Diamonds in the Rough', June 2009, pg 19:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>144</sup> *Human Rights Watch*, 'Diamonds in the Rough', June 2009, pg 29:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

ground, over 800 soldiers were ferried to Chiadzwa in seven large trucks and an army bus. From the helicopters, the soldiers fired live ammunition and tear gas into the diamond fields and into surrounding villages....”<sup>145</sup>

A military officer who took part in the operation told HRW “that his regiment received a ‘signal’ or directive from the Joint Operations Command (JOC) ordering an immediate deployment of his regiment to Marange for a ‘swift, ruthless and secret’ operation to permanently remove unlicensed miners.”<sup>146</sup>

Several villagers who witnessed the operation told HRW that soldiers “fired their AK-47 assault rifles indiscriminately, without giving any warning. In the panic, there was a stampede, and some miners were trapped and died in the structurally unsound and shallow tunnels.”<sup>147</sup>

In another incident, a miner reported that “soldiers had marched them at gun point ... and had ordered them to collect the bodies of dead miners whom they had shot”. They were ordered to dig a grave and bury the bodies. ‘We buried 72 bodies in that grave’.”<sup>148</sup>

During the three weeks of the military operation, a local headman told HRW that Chiadzwa had resembled ‘a war zone in which soldiers killed people like flies’.”<sup>149</sup>

#### 16.4 Soldiers speak out on the massacre

Former soldiers and paramilitary police interviewed by the BBC Panorama crew in 2011 said they were racked with guilt over their own actions.

In advance of Operation Hakudzokwi, “the military had laid a string of mines and then stationed armoured vehicles, mounted soldiers and an infantry battalion in a circular pattern around the 2.5km area. ‘In the end there was no way out,’ said an officer who was directly involved in laying the trap”.<sup>150</sup>

---

<sup>145</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 30:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>146</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pgs 29 and 30:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>147</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 30:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>148</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 30 and 31:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>149</sup> *Human Rights Watch*, ‘Diamonds in the Rough’, June 2009, pg 31:

<http://www.hrw.org/reports/2009/06/26/diamonds-rough>

<sup>150</sup> *BBC Panorama*, ‘Soldiers tell of Zimbabwe massacre’, 8 August, 2011:

[http://news.bbc.co.uk/panorama/hi/front\\_page/newsid\\_9556000/9556242.stm](http://news.bbc.co.uk/panorama/hi/front_page/newsid_9556000/9556242.stm)

### 16.5 Written testimonies and hospital records

While the BBC was in Zimbabwe, the crew collected 53 written testimonies in addition to the testimonies of those who had talked to them. They also collected hospital records - 250 entries listing page after page of dog bites, rapes, beatings and killings.<sup>151</sup>

When they organised them into date order, a disturbing pattern emerged. Gunshots showed up clearly in the main period of the operation, as well as dog bites. Not only were the wounds strikingly similar, but many of the victims said they had been forbidden to receive medical attention.<sup>152</sup>

“This wasn’t a legitimate police exercise to flush out illegal panners, this was a full-scale military operation against civilians; and our evidence clearly shows that its aim was to maim and kill,” the BBC’s Hilary Andersson concluded.<sup>153</sup>

### 16.6 Response from Mines Minister Obert Mpofu

Mines Minister Obert Mpofu told Agence France-Presse the claims were ‘nonsense’ and that “the allegations were based on false information intended to prevent the country benefiting from its diamond sales”.<sup>154</sup>

### 16.7 Response from the Kimberley Process

Asked by the BBC if the Kimberley Process (KP) was formally aware that there are torture camps open and operating in the Marange area, Nick Westcott, spokesperson for the working group on monitoring for the KP said, “No, it is not something that has been notified to the KP.”<sup>155</sup>

“How is it that journalists know more than KP about the human rights situation on the ground in Zimbabwe?” Hilary Andersson asked.<sup>156</sup>

“We don’t have a huge secretariat to go out and investigate. We have to operate on the basis of evidence brought together by members,” he replied.<sup>157</sup>

---

<sup>151</sup> *BBC Panorama*, ‘Diamond field: Zimbabwe torture camp discovered’, (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>152</sup> *BBC Panorama*, ‘Diamond field: Zimbabwe torture camp discovered’, (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>153</sup> *BBC Panorama*, ‘Diamond field: Zimbabwe torture camp discovered’, (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>154</sup> *BBC Panorama*, *Marange diamonds: ‘Zim denies torture camp’*, 9 August 2011:

[http://www.bbc.co.uk/news/world-africa-14468116#story\\_continues\\_1](http://www.bbc.co.uk/news/world-africa-14468116#story_continues_1)

<sup>155</sup> *BBC Panorama*, ‘Diamond field: Zimbabwe torture camp discovered’, (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

<sup>156</sup> *BBC Panorama*, ‘Diamond field: Zimbabwe torture camp discovered’, (notes from script) 8 August 2011:

<http://www.bbc.co.uk/news/world-africa-14377215>

### 16.8 Human Rights Watch: Private mining companies perpetrating shocking abuses

At a press conference held by Partnership Africa Canada and Human Rights Watch on August 30, 2011, in Johannesburg, HRW told the media that Zimbabwe police and private security guards employed by mining companies in Marange were shooting, beating and unleashing attack dogs on poor, local unlicensed miners.<sup>158</sup>

The organisation said the evidence gathered by Human Rights Watch contradicted claims that areas controlled by private mining companies, instead of by the Zimbabwe government alone, are relatively free of abuses.

“A clinical officer in the town close to the fields told HRW: ‘We have so many people coming to the clinic with dog attacks. It’s easy to tell they’ve been bitten by dogs. You see the marks. During the week we treat around five or more miners with dog bites. They tell us that private security guards are the ones who set the dogs upon them. They say that its guards working for Mbada.’”<sup>159</sup>

## 17 ENVIRONMENTAL DEGRADATION DUE TO UNREGULATED MINING



*Slave-labourers dig Zimbabwe's Blood-Diamonds*<sup>160</sup>

<sup>157</sup> *BBC Panorama*, ‘Diamond field: Zimbabwe torture camp discovered’, (notes from script) 8 August 2011: <http://www.bbc.co.uk/news/world-africa-14377215>

<sup>158</sup> *Human Rights Watch*, ‘Zimbabwe: Rampant abuses in Marange diamond fields’, 30 August 2011: <http://www.hrw.org/news/2011/08/30/zimbabwe-rampant-abuses-marange-diamond-fields>

<sup>159</sup> *Human Rights Watch*, ‘Zimbabwe: Rampant abuses in Marange diamond fields’, 30 August 2011: <http://www.hrw.org/news/2011/08/30/zimbabwe-rampant-abuses-marange-diamond-fields>

<sup>160</sup> *Digital Journal*, ‘Slave-labourers dig Zimbabwe’s blood-diamonds’, 22 January 2009: <http://www.digitaljournal.com/article/265726#ixzz1SPTvXskN>

In an article titled “Mining in Zimbabwe: an Erosion of Trust”, published in The Zimbabwean on May 12, 2011, mining companies are accused of environmental neglect.<sup>161</sup>

Reports indicate that many dams in the area “are silting as a result of the indiscriminate activity of alluvial diamond mining companies [and that the] Odzi River is being polluted and silted by the operations of Canadile...”<sup>162</sup>

Mutuso Dhliwayo, Director of the Zimbabwe Environmental Law Association (ZELA), said that “two mining companies in particular, Mbada and Canadile, started mining without carrying out Environmental Impact Assessments (EIAs) as required by the Environmental Management Act”.<sup>163</sup>

EIAs are a very important planning tool. They reveal the potential environmental, economic, social and cultural impacts of proposed projects such as mining, and possible mitigation measures.<sup>164</sup>

Southern African Resource Watch (SARW) notes that “the environment in Marange is fragile and congested, and the area is very dry with few rivers of any note. Forests have been exploited in recent years, leaving most areas with diminished cover. According to the Deputy Minister of Environment and Tourism, Andrew Langa, who visited the diamond fields in mid-March 2007:

“The environment has been ruined. If we allow panning to continue, the country cannot afford its reclamation ... What I have seen is land destruction at its worst. Who will be responsible for filling these shafts? The extent of the plunder is shocking....”<sup>165</sup>

The De Beers Group “recognises (the fact) that the living environment is as much a source of shared value as diamonds...”<sup>166</sup>

---

<sup>161</sup> *The Zimbabwean*, ‘Mining in Zim: An erosion of trust’, 12 May 2011:

<http://www.thezimbabwean.co.uk/news/39538/mining-in-zim-an-erosion-of-trust.html>

<sup>162</sup> *The Zimbabwean*, ‘Mining in Zim: An erosion of trust’, 12 May 2011:

<http://www.thezimbabwean.co.uk/news/39538/mining-in-zim-an-erosion-of-trust.html>

<sup>163</sup> *The Zimbabwean*, ‘Mining in Zim: An erosion of trust’, 12 May 2011:

<http://www.thezimbabwean.co.uk/news/39538/mining-in-zim-an-erosion-of-trust.html>

<sup>164</sup> *Extractive Industries Policy & Legal Handbook*, ‘Analysis of the Key Issues in Zimbabwe’s Mining Sector: Case Study of the Plight of Marange & Mutoko Mining Communities’, January 2011, pg 42:

[http://webcache.googleusercontent.com/search?q=cache:QkVKYYeExgoJ:www.internal-displacement.org/8025708F004CE90B/\(httpDocuments\)/1DD3341690E24DF7C125784E002E708C/%24file/EXT%20ACTIVE%20INDUSTRIES%20HANDBOOK%20\(1\).pdf+marange+diamonds+%20Benvironmental+issues&cd=6&hl=en&ct=clnk&gl=ie&source=www.google.ie](http://webcache.googleusercontent.com/search?q=cache:QkVKYYeExgoJ:www.internal-displacement.org/8025708F004CE90B/(httpDocuments)/1DD3341690E24DF7C125784E002E708C/%24file/EXT%20ACTIVE%20INDUSTRIES%20HANDBOOK%20(1).pdf+marange+diamonds+%20Benvironmental+issues&cd=6&hl=en&ct=clnk&gl=ie&source=www.google.ie)

<sup>165</sup> *Southern Africa Resources Watch*, ‘Diamonds in Zimbabwe – A Situational Analysis’, May 2007, pg 8 & 9:

<http://archive.revenuewatch.org/reports/DiamondZimb.pdf>

<sup>166</sup> *De Beers Group Website/Sustainability/Environment* Copyright 2008 De Beers Group.

<http://www.debeersgroup.com/Sustainability/Environment/>

“Good environmental stewardship is shaped firstly by the need to respond appropriately to global imperatives; and secondly by our belief that the sustainable management of the natural environment is key to the future prosperity of all the countries where we operate.

Global imperatives include climate change, biodiversity conservation, energy use and water security.

Diamond mining impacts on the environment directly because of its need to access, use and manage land and water resources.

It impacts on the environment indirectly by acting as a catalyst for further economic development. The exact nature of these impacts is different for every operation we manage.”<sup>167</sup>

Nicky Oppenheimer, Chairman De Beers Group states that conservation is *“as much about people as it is about conserving our heritage for generations to come”*.<sup>168</sup>

## 18 CONCLUSION

### 18.1 Good governance could restore a decade of economic ruin

“Despite rampant corruption, smuggling and the looting of diamonds,” The Times (SA) reported on August 7, 2011 that Zimbabwe had “entered the top 10 league of the world's gem-producing countries.... [and] could yet recover from a decade of economic ruin if good governance is restored”.<sup>169</sup>

Zimbabwe is now ranked as “the seventh biggest diamond-producing nation in the world”, according to the latest global rankings. Figures released by the diamond regulator, Kimberley Process Certification Scheme (KPCS), and reproduced by US trade gem regulator, Rapaport, indicate that Zimbabwe produced diamonds worth US\$334 million last year...”<sup>170</sup>

---

167 De Beers Group Website/Sustainability/Environment Copyright 2008 De Beers Group.

<http://www.debeersgroup.com/Sustainability/Environment/>

168 De Beers Group Website/Sustainability/Environment Copyright 2008 De Beers Group.

<http://www.debeersgroup.com/Sustainability/Environment/>

169 Times Live (SA), ‘Zim enters big diamond league’, 7 August 2011:

<http://m.timeslive.co.za/?i=3692/0/0&artId=4158751&showonly=1>

170 Times Live (SA), ‘Zim enters big diamond league’, 7 August 2011:

<http://m.timeslive.co.za/?i=3692/0/0&artId=4158751&showonly=1>

To put this figure into perspective, the Zimbabwe Independent reported the previous month that the fiscus had been bled of nearly US\$500 million “by mining syndicates involved in under-invoicing, smuggling, and general lack of quality policing....”<sup>171</sup>

What is fundamental to Zimbabwe’s recovery is the restoration of the rule of law. Organisations such as Human Rights Watch and the Zimbabwe Blood Diamonds Campaign have called repeatedly for the removal of the army from the Marange district, the demilitarisation of the diamond industry and a return to the rule of law. Finance minister Tendai Biti has stressed the need for the country’s mining laws to be overhauled so that there is greater transparency in the operations of the industry.

Expressing its concern in February 2011, the Zimbabwe Environmental Law Association noted, “The situation in Chiadzwa illustrates the agony of a community under siege as more and more mining companies will get mining licences and disregard the environmental, economic, social and cultural rights of the people in pursuance of profit from natural resources extraction.”<sup>172</sup>

President Mugabe said in his inaugural speech when he came to power in 1980, “Our majority rule could easily turn into inhuman rule if we oppressed, persecuted or harassed those who do not look or think like the rest of us.”<sup>173</sup>

The persecution of unlicensed miners in Marange demonstrates the inhumanity of President Mugabe and those who enrich themselves with Zimbabwe’s blood diamonds.

Time may, however, be running out. The International Criminal Court (ICC) says the evidence of gross human rights abuses documented by the BBC can be used to classify the massacres in Chiadzwa as crimes against humanity.<sup>174</sup>

It is time to call the perpetrators to account.

---

<sup>171</sup> Zimbabwe Independent, ‘Mining syndicates bleed fiscus dry of US\$500m, 29 July 2011:

<http://www.theindependent.co.zw/local/31802-mining-syndicates-bleed-fiscus-of-us500m.html>

<sup>172</sup> *Extractive Industries Policy & Legal Handbook*, ‘Analysis of the Key Issues in Zimbabwe’s Mining Sector: Case Study of the Plight of Marange & Mutoko Mining Communities’, January 2011, pg 43:

[http://webcache.googleusercontent.com/search?q=cache:QkVKYYeExgoJ:www.internal-displacement.org/8025708F004CE90B/\(httpDocuments\)/1DD3341690E24DF7C125784E002E708C/%24file/EXT%20ACTIVE%20INDUSTRIES%20HANDBOOK%20\(1\).pdf+marange+diamonds+%20environmental+issues&cd=6&hl=en&ct=clnk&gl=ie&source=www.google.ie](http://webcache.googleusercontent.com/search?q=cache:QkVKYYeExgoJ:www.internal-displacement.org/8025708F004CE90B/(httpDocuments)/1DD3341690E24DF7C125784E002E708C/%24file/EXT%20ACTIVE%20INDUSTRIES%20HANDBOOK%20(1).pdf+marange+diamonds+%20environmental+issues&cd=6&hl=en&ct=clnk&gl=ie&source=www.google.ie)

<sup>173</sup> *Partnership Africa Canada*, ‘Zimbabwe, Diamonds and the Wrong Side of History’. March 2009, pg 1:

[http://www.pacweb.org/Documents/diamonds\\_KP/18\\_Zimbabwe-Diamonds\\_March09-Eng.pdf](http://www.pacweb.org/Documents/diamonds_KP/18_Zimbabwe-Diamonds_March09-Eng.pdf)

<sup>174</sup> *SW Radio Africa*: Evidence of Chiadzwa massacre could be used to prosecute Mugabe, 10 August 2011:

<http://www.swradioafrica.com/news100811/evidence100811.htm>