

THE CHAMBER OF MINES



OF ZIMBABWE

# CHAMBER OF MINES OFFICE BEARERS FOR 2021/2022

## Mnangagwa challenges mining sector



FIDELITY MHLANGA

President Emmerson Mnangagwa has challenged the mining industry to rise above the Covid-19 woes and focus on attaining the ambitious US\$12 billion target by 2023.

Addressing delegates during the Chamber of Mines annual mining conference in Victoria Falls recently, the President warned that time was running out for the mining sector, which has undertaken to ramp up output and increase annual forex revenues to US\$12 billion.

The industry currently generates about US\$2 billion annually.

Under a roadmap announced by Mines minister Winston Chitando about two years ago, most mineral volumes will rise after the ramp up, with gold and platinum expected to contribute at least US\$3 billion each.

President Mnangagwa told the mining industry players that 2023 was just 18 months away and concerted efforts were required to boost output.

“Considering that 2023 is 18 months away the mining sector must take stock with regards to the realisation of a US\$12 billion mining economy,” Mnangagwa said.

“With unity of purpose, collaboration and increased investments, the sector is bound to reach greater heights. The institution of various measures targeted at attracting investment, enhancing exploration activities as well as opening of new and idle mines is set to further augment ongoing efforts. This should see Zimbabwe edging closer to the goal of being an upper-middle income country by 2030, while simultaneously addressing the global aspirations of the Sustainable Development Goals and Africa Agenda 2063.”

“We have sanctions on us, but we cannot cry day-in day-out. We must try to prosper in the presence of sanctions. A Minister of Finance who gets 60% of export revenue from the sector must make that sector comfortable. I was happy that there were no complaints against him,” he said, referring to Finance minister Mthuli Ncube.

“I see less focus on beneficiation and value addition on the minerals you produce. Yes, in platinum they are doing something. I don’t see much in gold and diamonds,” he said.

To date the consistent progress made in the country’s journey towards attaining the target ramped hopes for the realisation of an Upper Middle-Income country by 2030.

“The Chamber of Mines and the mining sector in general must remain optimistic,” he said.

President Mnangagwa who welcomed increased investments in the sector as well as oil and gas prospects assured the mining sector of his administration’s commitment to continually improving the operating environment.

He also commended players in the mining sector who are taking heed of government’s call for beneficiation, particularly in the ferrochrome industry.

Meanwhile Vice-President Constantino Chiwenga implored the players in the mining sectors to take advantage of opportunities created by the new normal.

The mining sector was not spared by the negative effects of the global pandemic as evidenced by the 4,7% decline in output in 2020 and delegates took time to observe a minute in silence in remembrance of the 21 lives lost in the mining sector due to Covid-19.



### Heartiest Congratulations to the new Chamber of Mines Presidium

The Board, Management and Staff of Zimasco (Pvt) Ltd wish to congratulate the newly elected Chamber of Mines Presidium.

Wishing you a successful term at the helm.

Congratulations, Makorokoto, Amhlope!



Mr Colin Chibafa (President)



Mr Thomas Gono (First Vice President)



Mr John Musekiwa (Second Vice President)

Creating Value

## CHAMBER OF MINES

# Chibafa elected new chamber president

THE Chamber of Mines of Zimbabwe (CoMZ) has elected Unki Mine chief finance officer (CFO) Colin Chibafa (CC, pictured) as its new president. Chibafa took over from Mimosa Mining Company corporate affairs executive Elizabeth Nerwande. But the Unki CFO comes in at a time when the industry faces several problems. The challenges were compounded by the outbreak of Covid-19 last year. Members will be banking on him to negotiate with government and push for policies that will help the industry ride over the problems. Business reporter Fidelity Mhlanga (FM) had a wide ranging

interview with Chibafa, where he shared his vision. Below are excerpts from their discussion:

**FM:** Congratulations on your appointment as CoMZ president. As you assume this office what are the pertinent issues affecting the industry that you intend to address?

**CC:** Thank you. My tenure coincides with a difficult and disruptive Covid-19 pandemic, which has continued to weigh down the performance of the mining industry over the past 18 months.

Added to the above are domestic challenges facing the mining sector. These challenges include inadequate foreign exchange retentions, high cost structures, a fragile power situation and capital shortages.

I am happy to inform you that my predecessor, madam Nerwande made good engagement progress on these strategic matters with government and other key stakeholders.



Thus, during my tenure, I would want to leverage on and consolidate the gains made so far in addressing the above constraints as well as creating an optimal operating environment for the mining sector.

**FM:** You have been the CoMZ's senior vice president before this, which means you are already aware of what is happening. Have you engaged with government yet and what has been the response?

The chamber has been engaging on the above matters and a lot has been achieved in that respect. The chamber will continue with its engagement strategy.

**FM:** Throughout last year and the years before there has been concern about delayed payments to gold producers by Fidelity Printers and Refiners. Are there serious moves towards addressing this?

**CC:** Over the past two years and in the greater part of the first half of 2021, gold producers have been facing prolonged payment delays for gold delivered to Fidelity Printers and Refiners.

The recent changes in the marketing of gold where Fidelity Printers and Refiners and the producer jointly export the gold have seen some improvements in payments turnaround.

As Fidelity Printers continues to fine tune the new system, we hope that delays will be a thing of the past. As a chamber, we will continue to engage Fidelity and authorities for timeous payments for gold deliveries.

**FM:** Tell us about progress towards attaining the US\$12 billion dollar mining economy by 2023. We are only 18 months away

**CC:** The mining industry is supportive of government's vision of a US\$12 billion mining sector by 2023. Most operators are working hard to ramp up production and attain their production targets in line with their capacities. We will continue to work closely with government in resolving matters that continue to threaten the achievement of the target.

**FM:** Do you think this milestone is still attainable given the time left?

**CC:** Our hope is that if the individual mining companies' targets are met, the envisaged US\$12 billion milestone can be achieved.

The opening up of new mines as well as the resuscitation of previously closed mines will contribute towards the attainment of the target.

**FM:** In his presentation at the just ended CoMZ mining conference, President Emmerson Mnangagwa indicated that little progress has been made in beneficiating minerals such as diamond and gold. What is the chamber's plan with regards to this?

**CC:** The chamber is supportive of the need to increase the export revenue derived from mining.

Beneficiation of the country's mineral exports is one method of achieving this. Our members are at various stages of beneficiation and together with government we need to jointly address the various impediments to value addition.

**FM:** Reading through annual reports of mining firms, a clear trend that emerges is that the industry has been facing working capital shortages. How is the chamber dealing with this?

**CC:** Mining is capital intensive and growth for the sector requires significant long-term funding from lenders and shareholders.

We applaud government efforts to create a stable and predictable operating environment that will allow miners to focus on mining. This will de-risk the industry, allowing lenders and shareholders to commit the significant amount of capital required for growth.

Capital shortages remain the key constraint undermining the unlocking of the full potential of

### CONGRATULATIONS, AMHLOPE, MAKOROKOTO TO THE NEW OFFICE BEARERS!



Mr C Chibafa



Mr J Musekiwa



Mr T Gono

Hwange Colliery Company Limited (HCCL) joins the entire mining fraternity in congratulating Mr Colin Chibafa (Unki Mine) on his appointment as the new president of the Chamber of Mines Zimbabwe (COMZ), and his deputies Mr Thomas Gono (Golden Reef Mine) and Mr John Musekiwa (Zimasco) for the tenure 2021/2022. We wish the team all the best in the new roles as they promote development and steer Zimbabwe's mining industry towards maximum potential

We value our business association with the COMZ, which offers unlimited opportunities for industry collaboration and inclusiveness to make our collective goal of a USD \$12 billion mining industry milestone, and upper middle class economy by 2030 a reality.

As we play our part to achieve full potential as the leading coal producer, we have shifted our approach towards the production of high value coking coal and beneficiation activities in our processes. This path will complement the Chamber's thrust of driving the growth of the mining industry.

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**CHAMBER OF MINES**

# Nedbank participates in mines indaba

FIDELITY MHLANGA

NEDBANK Zimbabwe recently participated at the Chamber of Mines annual conference where the financial institution's MD Dr Sibongile Moyo (pictured below) discussed various ways of financing mining operations.

Officiating at the Chamber of Mines conference in Victoria Falls recently, Moyo told delegates that the bank could raise funds, but guarantees would be required.

"I will just say in terms of funding for established senior miners we have relied extensively on offshore financing," Moyo stated.

She said in the past Nedbank was able to arrange an offshore facility against offshore patent guarantees to be able to support mining entities in the country.

"Having said that, we do have a big gap in the local market in terms of capacity," she said.

Moyo explained that if a mining entity had a requirement for US\$200 million this could not be financed by a single bank on their balance sheet thus creating opportunities for banks to syndicate in order to avail the required finance to the mining sector.

She said junior miners who are in early stage of green field have tended to rely on private equity markets, venture capital and pension funds for funding. Moyo further said the third element to mining finance, which is very critical to the mining industry, is access to plant and equipment funding which can be done through leasing.

"Huge leasing opportunities — decades ago in this country we had a very active plant and equipment lease market. Our challenge now is to have reputable suppliers of plant and equipment, who are willing to bring their wares into the country. Why, because this requires a good and solid insurance back bone or infrastructure," Moyo said.

We are speaking of credit insurance, commercial risk insurance and political risk insurance, which cover leased equipment that come into the country until it is paid off or until a certain point it is required to go back to its country of origin.

"We do have membership as Zimbabwe to the African Trade Insurance (ATI) where such opportunities are there to provide political risk cover, commercial risk cover, trade cover for plant and equipment imported into the country funded by foreign investors, so these opportunities should be taken advantage of."

The Nedbank MD gave a recent example from South Africa where Export Credit Insurance Corporation of South Africa recently provided political risk and commercial cover for the Beitbridge Border Post project where Nedbank South Africa is one of the participants.

Moyo further said funding to the small scale and medium scale mining sector is very critical because of its impact on the number of enterprises or entrepreneurs and livelihoods.

"We have had challenges in funding our gold miners largely because of a small gap in marketing arrangements. Previously banks like ourselves had direct participation in exports of gold starting with airfreight logistics as well as ring-fencing sales," she said.

Moyo reiterated that for real expansion of projects and capital expenditure for smaller miners where there is higher risk, there is need for "patient capital" which is typically contributed from funds put together by government using mining royalties and funds contributed by pension funds and banks.

"Collectively, we need to come up with a solution that enables the creation of a fund. We currently have the Export Credit Guarantee Corporation of Zimbabwe (ECGC) that was created in Zimbabwe a few years ago and a lot of our small business including mining services companies are benefiting from ECGC guarantees that are given to banks to allow us to fund their assets, finance smaller equipment and projects as well as working capital," she said.



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**Mr Thomas Gono**  
Vice President,  
Ceo Of Golf  
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**Mr Colin Chibafa**  
President Comzo,  
Cfo Of  
Unki Mine



**Mr John Musekiwa**  
Vice President,  
Ceo Of Zimasco

The Board, Management and Staff of Nedbank congratulate the new **Chamber of Mines Presidium** on their recent appointments

We wish them well on their new assignment as they work collectively to advance the country's mining sector.

**Congratulations! Makorokoto! Amhlophe!**

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**CHAMBER OF MINES**

# Chibafa elected new chamber president

**From B2**

the mining sector.

CoMZ will continue to engage government with a view to addressing all impediments to capital raising for the mining sector. Allowing gold producers to export their product to international markets will allow them to be able to raise long-term offshore funding.

**FM:** The Minister of Mines indicated that he will sit down with CoMZ to mobilise gold loans. What's your view on this?

**CC:** This is a welcome development and will go a long way in closing the funding gap for the gold industry. We are looking forward to working closely with the Ministry of Mines to ensure that the gold industry benefits from this initiative and contributes significantly to the socio-economic development of the country.

**FM:** A few days before you held your annual general meeting and conference, reports emerged that several miners had their funds withheld offshore because of Western sanctions. This is bad news for the industry and the affected miners.

**CC:** Affected miners have engaged their bankers on this matter and as a

chamber we have raised the matter with the government.

We are informed that the relevant authorities are working round the clock to make sure that mining companies are not affected in future.

**FM:** How much has been trapped offshore?

**CC:** These are confidential matters between miners and their bankers. We do not have details of the amounts involved.


**FM:** In what way has the Covid-19 crisis affected the mining sector? Is the sector prepared to deal with a third wave?

**CC:** The mining sector was not spared from the global Covid-19 pandemic.

However, we applaud government for allowing mines to continue operating during the Covid-19 imposed lockdown on condition they complied with the requisite prevention protocols.

As a result, mines operated at reduced levels to contain the spread of the virus.


Covid-19 is still with us and miners are incurring additional costs to comply with the protocols. The industry is still fragile and could be negatively impacted should the third Covid-19 wave materialise.



ZIMFLOW HOLDINGS T/A

# CT BOLTS

FASTENERS TO THE NATION



**CT Bolts would like to congratulate Mr Colin Chibafa (President), Thomas Gono (Vice President) & Mr John Musekiwa (Vice President) on their recent appointments by the Chamber of Mines.**

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CoMZ first vice-president Thomas Gono



CoMZ second vice-president John Musekiwa

**Congratulations**

**TO THE 2021 CHAMBER OF MINES OFFICE BEARERS**



Mr John Musekiwa  
Vice President



Mr Colin Chibafa  
President



Mr Thomas Gono  
Vice President

The Board, management and staff of the Zimbabwe Stock Exchange Limited congratulates the **2021** Chamber of Mines presidium led by **Mr Collin Chibafa**, **Mr Thomas Goni** and **Mr John Musekiwa**.

We wish the team success in their new journey.



**Website:** www.zse.co.zw **Email:** info@zse.co.zw

**CHAMBER OF MINES**

# New chamber chief shares game plan

THE Chamber of Mines of Zimbabwe (CoMZ) incoming president, Colin Chibafa, said he was determined to work with authorities to tackle problems undermining growth in the sector.

Chibafa, the Unki Mine chief finance officer, outlined his game plan as he took over the presidency from Mimosa Mining Company corporate affairs executive Elizabeth Nerwande in Victoria Falls recently.

He will be deputised by Golden Reef chief executive officer Thomas Gono, who was elected first vice-president during CoMZ's annual general meeting and conference.

John Musekiwa, the Zimasco boss, was elected second vice-president.

"I will leverage on the work that the outgoing president has done," said Chibafa.

"I would like to consolidate the many gains that she (Nerwande) has made in maintaining a good relationship with government. As the incoming team, we will continue to engage with government in a collaborative manner to resolve the challenges that we face. The chamber will continue to work with the government," added Chibafa.

Speaking at same event, Nerwande said the chamber had also set up a one-stop resource centre.

"I am happy to say that as a way of enhancing both internal and external communications, we started a one stop resource centre at the chamber of mines to make sure that our information is upto date and that we sharing the same vision with our stakeholders and government," she said.

However, Nerwande said, while significant ground had been covered in the past two years to strike a common understanding with government, several issues were still to be resolved.

"Over the past two years the chamber has worked closely with government in many areas resulting in some improvement in the operating environment," Nerwande said.

"While there are still areas that require attention of all parties to ensure improvement and enhance competitiveness of our industry, it is safe for us to say that the stakeholders have made significant strides to find each other. We have quite a number of areas that are still outstanding (such as) the Mines and Minerals Act amendment, which is still

under consideration.

"The same goes for the computerised mining cadastre system and completion of comprehensive mineral development. We also appeal to government to align monetary and fiscal policies and foreign currency usage and management and allow exporters to have sufficient resources to grow and sustain their businesses.

"Some of our members have experienced persistent shortages of critical imported inputs as a result of continued effects of low foreign currency retention levels. The retention levels which were increased to 70% at some point were latter reduced to 60% causing severe viability constraints."

Nerwande added that gold producers have experienced delays in payment of nostro balances for gold delivered to fidelity printers. The delays can last up to almost 8 weeks. This has crippled the producers ability to import critical supplies.

The issue of foreign currency retention has been a hot topic in the past few years, with players warning that there will be no growth unless mines are allowed to access all their foreign currency to fund operations.

But last month, Finance minister Mthuli Ncube announced several measures to provide relief to industry.

Exporters, including miners, currently keep 60% of their foreign currency earnings in hard currency, while 40% is sold to the central bank at the official exchange rate.

But under his measures companies that export above their monthly average will be allowed to retain 80% of what they earn from the increased portion.

"In order to encourage gold production and deliveries to Fidelity Printers and Refiners (FPR), gold producers, who deliver quantities above their average monthly deliveries shall be entitled to a retention level of 80% on the incremental portion of the gold delivered to FPR," Ncube said.

"Those companies listed on the Victoria Falls Stock Exchange will be entitled to a 100% retention level of their incremental exports," he said, noting that the sweeteners were targeted to "encourage listing and participation of firms on the Victoria Falls Stock Exchange and Victoria Falls Offshore Financial Centre". - Staff Writer.



Outgoing CoMZ president Elizabeth Nerwande



**Congratulations! Makorokoto! Amhlope!  
ON BEING APPOINTED AS THE SECOND VICE  
PRESIDENT OF THE CHAMBER OF MINES**



Zimasco (Pvt) Ltd board and employees extend our heartiest congratulations to our Chief Executive Officer, Mr. John Musekiwa on this new appointment.

**We are proud of this recognition of your sterling efforts at the Chamber of Mines over many years and we wish you and your fellow members of the presidium a successful tenure!**

Creating Value

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CHAMBER OF MINES

# Mining executives commend RBZ



CoMZ chief executive officer Isaac Kwesu

## Celebrating Excellency



**Mr Thomas Gono**  
(1st Vice President)



**Mr Colin Chibafa**  
(President)



**Mr John Musekiwa**  
(2nd Vice President)

**“The very essence of leadership is that you have to have vision. You can’t blow an uncertain trumpet.”**  
- Theodore M. Hesburgh

As part of its Vision statement, the Chamber of Mines of Zimbabwe (CoMZ) aspires to be the engine of growth and a high-profile lobby group with energy focussed in the key areas that make a difference to the economy and the industry. It is with this in mind that the Board, Management and Staff of Golden Reef Mining (Private) Limited salute the outgoing CoMZ leadership and welcome the incoming presidium made up of **Mr Colin Chibafa** (President), **Mr Thomas Gono** (First Vice President) and **Mr John Musekiwa** (Second Vice President). We take this opportunity to wish the incoming presidium the very best.

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MINING industry executives recently commended the central bank’s move to give the Zimbabwe Revenue Authority (Zimra) the sole mandate to collect fees and commissions previously paid to the Minerals Marketing Corporation of Zimbabwe (MMCZ), saying this would go a long way in curbing bureaucracy.

They said the move would also help mineral exporters circumvent problems related to economic sanctions imposed on Zimbabwe.

The MMCZ has been under United States of America Office of Foreign Assets Control (OFAC) sanctions since 2008.

“There are a number of issues that need to be dealt with,” an executive said.

“MMCZ is under OFAC sanctions which have been there since 2008 and OFAC can deduct money from its clients. I don’t know why MMCZ remains on sanctions while others have been removed. But whether it is MMCZ or Zimra, the fees and commissions need to be collected.”

Announcing the changes recently, the Reserve Bank of Zimbabwe (RBZ) said after wider consultations, it had decided to help exporters in the industry by having fees and commissions collected under one roof.

Zimbabwe’s mines are projecting recovery this year following a difficult 2020 when Covid-19-induced lockdowns disrupted the entire global economy, forcing mining firms to suspend operations.

The changes came after requests from mineral exporters for government to implement growth-stimulating policies to help the mining sector recover and achieve US\$12 billion in annual revenue from 2023.

The sector currently generates about US\$2,3 billion per annum.

Chamber of Mines of Zimbabwe (CoMZ) chief executive officer, Isaac Kwesu, said pandemic-induced headwinds were fizzling out, with companies returning to production after being buffeted by a brief 2021 lockdown and capital shortages during the first quarter.

“For us, 2020 was not a good year and the 2021 first quarter was no better,” Kwesu said.

“Capital constraints are still an issue. Last year we were constrained by Covid-19 and operating costs remain high. The first quarter was generally bleak but we are going to see a rebound in the second quarter. We continue to work closely with government so that we achieve our targets.”

In a statement announcing the new policy the RBZ said: “The bank has received numerous requests from mining exporters on the need to continuously improve the ease of doing business arising from complications around payment of fees and commissions to the Minerals Marketing Corporation of Zimbabwe.

“To make payment of statutory deductions easy for exporters of minerals, with immediate effect, all commissions and royalties that are due will no longer be deducted by MMCZ. All applicable taxes shall now be paid to Zimra in the normal manner.”

Outgoing CoMZ president Elizabeth Nzwandze said the last financial year was difficult due to Covid-19.

She thanked authorities for granting them permission to operate during the pandemic-induced lockdown.

CoMZ held its annual general meeting and conference in Victoria Falls, where several key issues affecting the sector came under the spotlight.

**CHAMBER OF MINES**

# Be vigilant, Mnangagwa tells security agencies

FIDELITY MHLANGA

THE discovery of oil could pose a security threat to the country, which requires state security agencies to be always on high alert, President Emmerson Mnangagwa (pictured below) has said.

Mnangagwa made the call during the Chamber of Mines of Zimbabwe (CoMZ) annual general meeting in Victoria Falls as Australia Stock Exchange-listed oil and gas exploration Invictus Energy said it had made headway in its hunt for oil in Muzarabani district, about 300 kilometres northeast of Harare.

Government and Invictus have signed a petroleum exploration development and production agreement to carry out exploration and production of oil and gas.

While Invictus was yet to make its first find, reports of oil endowments have ignited hopes of a change of fortunes in Zimbabwe, which has spent the past two decades battling an economic crisis.

But Mnangagwa warned that while an oil find would be good news, Zimbabwe should also be wary of problems associated with such discoveries.

"Discovery of oil and gas presents unique and competitive opportunities," he said.

"These include production of liquid fuels as well as various downstream linkages such as liquid fuels, electricity generation, production of liquefied petroleum gas, fertilisers and use in the petro chemical industry. While this is an excellent development, it has its negative side. So the Ministry of Defence must be awake because once these things come they attract terrorism," he added.

Mnangagwa's remarks might be informed by insurgents that have affected neighbouring Mozambique's northern provinces where up to US\$20 billion in oil and gas investments by one firm alone have been under threat.

French energy firm Total said in April that it had halted operations on its US\$20 billion investment at a liquefied natural gas project as a result of the security threats posed by the extremist insurgents in the Cabo Delgado province of neighbouring Mozambique.

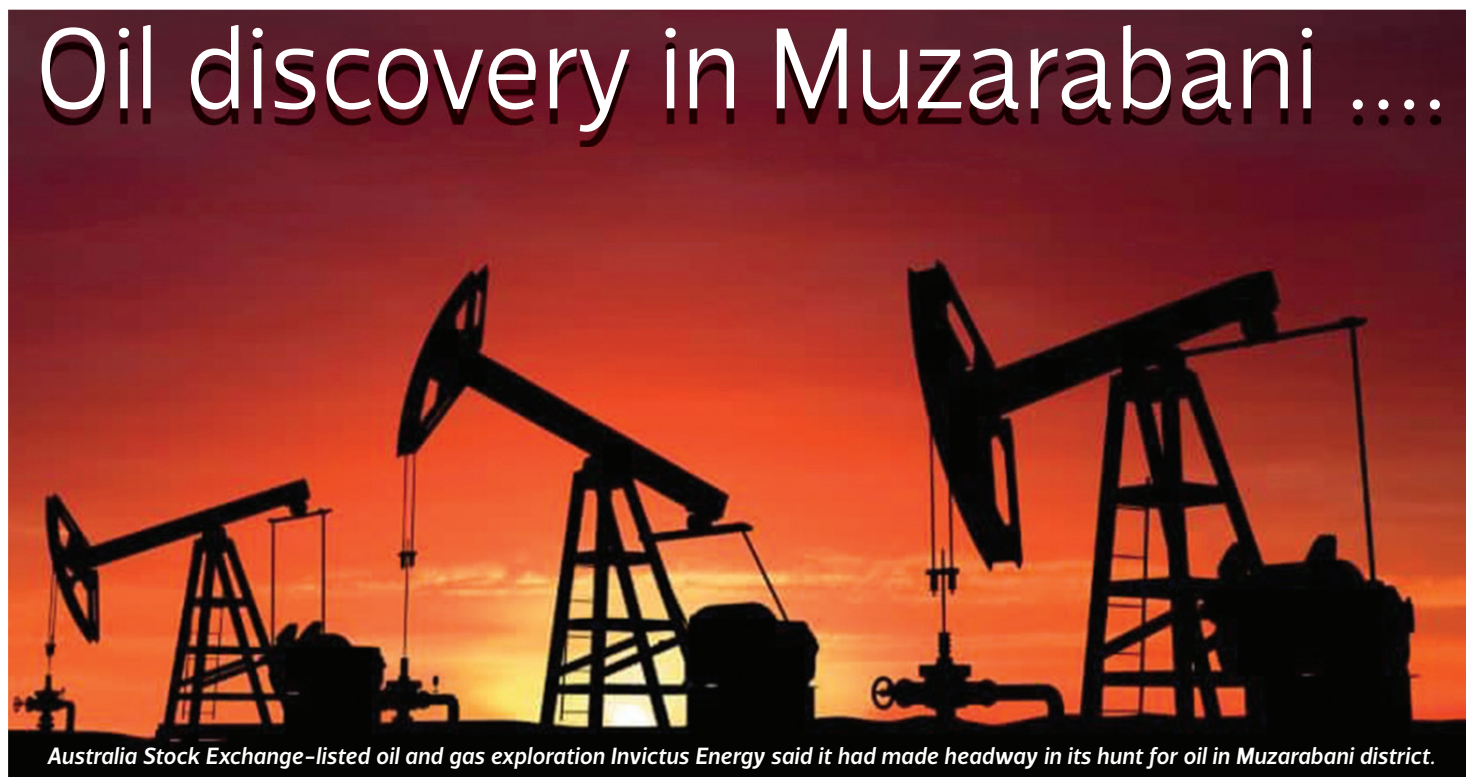
Total's declaration of *force majeure* casts doubt on the future of the gas project, which was envisaged to usher in sustained economic growth for Mozambique's economy.

In Zimbabwe, Invictus energy has requested government to expand its exploration claims in Muzarabani to about a million hectares, marking another phase in the firm's hunt for its first find in the southern African country.

Invictus, which has already reported major milestones at the potentially lucrative project, said increasing its exploration fields would be key as it progresses.

The firm is currently exploring for oil on a 100 000-hectare special grant where it will sink its first test well by the fourth quarter of this year.

This year's mining conference was held under the theme "Navigating Turbulent Times – Sustaining Growth of the Mining Industry in the Midst Covid-19".



Australia Stock Exchange-listed oil and gas exploration Invictus Energy said it had made headway in its hunt for oil in Muzarabani district.

**CHAMBER OF MINES**



**OF ZIMBABWE**

We have great pleasure in announcing our newly elected Office Bearers for 2021/2022



Colin Chibafa, Unki Mines President



Thomas Gono, Golden Reef Mining Vice President



John Musekiwa, Zimasco Vice President

We wish them a successful tenure.

*The Chamber is established for the purpose of promoting, encouraging, protecting and fostering the mining industry and doing everything necessary and advisable for these objects.*



**Chamber of Mines of Zimbabwe**

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## CHAMBER OF MINES

# ‘Mistrust between govt, mining sector dragging development’

DEEP-ROOTED mistrust between governments and the mining sector is a major stumbling block against the growth and sustainability of the private mining sector, the chief executive officer for the Chamber of Mines of Namibia Veston Malango (pictured) has warned.

In a virtual address at the recently held Zimbabwe Annual Mining Conference, Malango said the situation can be so bad that in some cases, governments may not comfortably sit on the same table with the private sector for a dialogue.

"Governments are suspicious of industry wrongdoing, that we are hiding something, that the host country is not benefiting enough from the country's mineral resource endowment. In several SADC countries, including Zimbabwe, governments are also players in the industry with minority, major or even majority shareholding in several mining companies, so one would as-

sume that the trust relationship should even be stronger in such cases," Malango said.

"Why should there be suspicions of wrongdoing when government is represented at boards of some mining companies and have access to financial and other operational information?"

He explained that these acrimonious relationships have led to bad policy decisions that have not yielded the anticipated benefits.

"I can understand that this is out of frustrations, especially when we have some bad eggs amongst ourselves, bad players in the mining industry whose behaviour may not be in line with the majority of industry players who are, truly partners with host governments in the socio-economic development agenda," he said.

"Unfortunately, even with the assistance of international institutions such as the Extractive Industry Transparency Initiative (EITI), it's not



water proof that there will be no bad eggs to tarnish the good name of the majority players in the entire extractive industry. It is therefore im-

perative that the industry becomes proactive in protecting its image."

Malango said the basis of this partnership should be a mutual trust relationship between the government and mining/exploration companies. He shared an experience from Namibian mining industry where the Chamber of Mines has managed to earn the trust of government and cemented the trust relationship with win-win outcomes.

"It must be earned, out of good corporate citizenship and abiding by the laws of the country, in addition to integrity, transparency, governance and commitment to support the socio-economic aspirations of the host country."

"I believe the Zimbabwe mining sector is committed to do all these things and in return, they expect the government to provide an enabling environment in which mining can thrive, an environment with a competitive and stable tax regime amongst others. Mining can only thrive in an environment of policy and regulatory certainty, good governance, political stability, rule of law, and devoid of bureaucracy and corruption allegations, etc."

Malango noted that in order to address these challenges of deep-rooted mistrust it was his firm belief that Chambers of Mines in SADC need to go beyond advocacy and play the role of self-regulation amongst its members. This, he said, is important as industry players are diverse, comprising foreign largely multinational companies, local investors and smaller local players that include artisanal and small-scale miners.

"Unfortunately, when one company does not comply to the rules of the host country, governments tend to generalise and paint the whole industry with the same brush," Malango said adding that this is an opportunity for the industry to show commitment of good corporate citizenship, through a self-regulatory system under an industry body such as the Chamber of Mines.

"In Namibia, the Chamber of Mines has on two occasions in the last ten years expelled two mining companies for bringing the industry into disrepute, for not complying with the Chamber Constitution and the laws of the country, including safety regulations.

"Can you imagine what this action would mean to a public listed company? This is the leverage we have, a sjambok so to speak! We have received accolades/congratulations from the Namibian government because this is a demonstration that the chamber is not just an industry advocacy body, but also plays the role of a self-regulatory body. These actions have earned us immense trust by the government. This is the secret of our success in Namibia and I believe the same could be emulated in Zimbabwe and the rest of SADC."

Malango reiterated that the issue of trust relationship between the government and the private sector, is a fundamental prerequisite for economic revival post Covid-19 and sustainable growth of the Zimbabwe mining sector.

"This topic is so relevant under the current circumstances we find ourselves in, and the unique opportunities that have presented themselves for the revival of the mining sector in Zimbabwe, SADC and indeed the rest of Africa.

"The impact of the Covid-19 on the global economy has not spared us in Africa, and specifically SADC countries. Mining remained resilient and sustained our economies when other sectors of the economy such as tourism, hospitality, aviation and construction had almost collapsed due to the pandemic."

He applauded governments in the region for doing their best to contain the virus with meagre resources.

"It has been a delicate balance between saving lives and saving livelihoods. With the arrival of vaccines and continued adherence to Covid protocols, there is hope of arresting the transmission and getting to herd immunity. However, the third wave currently ravaging some parts of the world such as India and now Africa, are a major source of concern," he said.

Malango, however, said like in any crisis there are opportunities, and there was need to be alert and identify them. He also challenged Zimbabwe, SADC and rest of Africa, to rise from the ashes of this pandemic stronger than before.

"And here is why. The global commodity markets have rebounded few months into the Covid outbreak, after an initial slump at the beginning.

"Gold outperformed all minerals, and soared to US\$2 067 per ounce in August 2020, reaching its highest level in recent history. This is because gold is considered a safe haven for investments in times of uncertainty.

"Prices of base metals, battery minerals, and most other minerals picked up tremendously. The copper price traded above US\$9 000 per tonne in December 2020 and hit US\$10 747 per tonne in May, 2021, a level last seen 10 years ago in 2011." — Staff Writer.

## Our gratitude for their astute leadership...

The Board, Management and Staff of Alpha Media Holdings congratulate the newly elected Chamber of Mines Presidium, Mr Colin Chibafa - President, Mr Thomas Gono - Vice President and Mr John Musekiwa - Vice President. We wish them success and greatness during their tenure.



Mr Colin Chibafa - President



Mr Thomas Gono - Vice President



Mr John Musekiwa - Vice President