

Zimbabwe update

This month's update focuses on the controversial Indigenisation & Empowerment Act, the renewal of EU sanctions and the continued harassment of civil society groups and trade unions in the country. We also cover the turmoil in the mining sector and recent civil servants' strike actions.

You can find more details about all of the stories covered on the [ACTSA website](#).

Unity government stalemate continues

The latest negotiations on the Global Political Agreement saw the South African facilitation team leave Harare empty-handed on 11 February. The talks between ZANU-PF and MDC-Tsvangirai (MDC-T) over the rehiring of Central Bank boss Gideon Gono, appointment of provincial governors, and the refusal to swear in Roy Bennett as Deputy Agriculture Minister have failed. Whilst calls for new elections are getting louder, the co-chair of the Constitution Committee cautioned that they could only be held after the completion of the constitutional reform process. The reform process is currently delayed by seven months, making elections before 2012 unlikely.

Controversy over Indigenisation and Empowerment Act

New laws have recently been announced which will force foreign-owned companies with assets worth over \$500 000, including banks and mines, to give 51 per cent of their assets to "indigenous Zimbabweans" within the next five years. The Indigenisation and Empowerment Act has sparked controversy and confusion in the unity government and throughout the country's business community. The law, due to take effect in March, dates back to an indigenisation bill passed but put on hold by the pre-election ZANU-PF government in 2007, and was published in mid-February with no formal announcement. Prime Minister Tsvangirai declared the legislation "null and void", stating that, "I am in charge of all policy formation in Cabinet and neither myself nor the Cabinet were shown these regulations before they were gazetted", while the Indigenisation Minister Saviour Kasukuwere was accused of having acted unilaterally and not following "proper procedure".

The MDC is analysing legal ways of having the Act revoked. Meanwhile, there has been confusion about the status of the Act. The Prime Minister's office reported that the law was met with strong disagreement by the Council of Ministers and would be reviewed until 1 March. However, four days later Deputy Prime Minister of the MDC- Mutambara (MDC-M) stated that the Indigenisation Minister had been chosen as the Council of Ministers' only spokesperson mandated to comment on the issue. Kasukuwere emphasised that the regulation would not be reversed but that the government would accept feedback and suggestions to improve it.

The Zimbabwe Congress of Trade Unions (ZCTU) has expressed concerns that, "this move that is coming under the guise of empowering 'indigenous people' has the potential to throw the country into anarchy" and that the Government had no money to buy out the company shares properly.

Defending the move, President Mugabe asserted that wise investors would continue to put money into the country. Meanwhile, the Affirmative Action Group has also warned it will go on a campaign to enforce the regulations.

NEWS IN BRIEF

EU renews sanctions

The EU has renewed its sanctions against Zimbabwe for another year, saying the government had not made enough progress on several key reforms. The sanctions target 200 people and 40 firms linked to Zanu-PF, over rights abuse allegations.

China refuses further loans

Following the Chinese embassy-sponsored 86th birthday party for Robert Mugabe, Chinese President Hu Jintao announced that he sees Zimbabwe purely as a "business partner". He made this clear to Deputy Prime Minister Arthur Mutambara earlier this month during the World Economic forum in Davos. Zimbabwe is refused any further credit until its current loans are repaid.

Civil servants on strike

The Apex Council, representing several civil servants' and teachers' unions called for a strike at the beginning of this month. The actions are set to continue, as the government is unlikely to meet the unions' demands, including a call for a 600 per cent wage increase to meet rising living costs. course of action," Apex Chairman Chikowore declared.

IMF returns voting rights to Zimbabwe

The International Monetary Fund (IMF) has restored Zimbabwe's voting rights after a seven-year suspension for unpaid debts, following Finance Minister Tenday Biti's request. While the IMF has said it recognises the coalition government's efforts to repair Zimbabwe's economy and donor relations over the last year, Zimbabwe is still not eligible for further loans until it has paid off more of its \$1.3 billion debt to creditors. The IMF maintained that "access to IMF lending resources is also subject to IMF policies on the use of such resources," and emphasised the need for further reforms and foreign investment.

Turmoil over diamonds

Speaking at the Tourism and Infrastructure Investment conference in Harare on 17 February, Mugabe announced that he would consider quitting the Kimberley Process (KP). "We are trying to play it their own way, that is following the KP but we can do it otherwise and we can sell our own diamonds elsewhere," he announced at a press conference intended to market Zimbabwe as a safe investment zone. Earlier this month, 29 kg of diamonds were stolen from the Reserve Bank of Zimbabwe. The precious stones were to be deposited there until the resolution of an ownership dispute over the Chiadzwa diamond fields, which have recently been criticised for human right abuses. On 18 February, upon his return from a holiday, Mining Minister Obert Mpofu found that Central Intelligence Organisation had broken into his office and removed documents over allegations of under-hand diamond deals.

Farm workers' union to seek SADC protection as Harare office was raided and members were arrested

Zimbabwe's farm workers' union GAPWUZ continues to be harassed by Zimbabwe security forces. Its leadership was recently summoned to an intimidatory meeting at the Police General Headquarters following complaints from members of the Joint Operations Command (JOC) about the GAPWUZ film "House of Hunger" and the report entitled "If Something is Wrong" which accompanied it. On 24 February, their office in Harare was raided by police. Union General Secretary Gertrude Hambira has gone into hiding and two of her colleagues have been arrested. GAPWUZ plans to approach the SADC Tribunal this month to order Harare to stop rights abuses against farm labourers. The trade union says that labourers bear the brunt of violent farm takeovers throughout the country and the coalition government is failing to protect them.

URGENT ACTION

Stop the Harassment of Trade Unionists!

Trade unionists in Zimbabwe continue to face intimidation and harassment from the state. Members of GAPWUZ have been arrested and General Secretary Gertrude Hambira has been forced into hiding.

Send an urgent [E-Action](#) to put pressure on the government to stop the harassment of trade unionists.

EU pledges \$13 million for smallholder farmers

As a response to persistent food shortages, the European Union Food Security Coordinator in Zimbabwe has pledged \$13 million to provide 80,000 households with training and farm inputs. According to Agriculture Minister Joseph Made, Zimbabwe still needs to import half a million tonnes of maize this year, as harvest shortfalls are expected due to a lengthy dry spell.

First five MDC ambassadors

President Robert Mugabe officially appointed five new ambassadors and high commissioners from the MDC-T and MDC-M on Wednesday 17 February. The three women and two men will serve for a minimum of four years at their stations in Germany, Sudan, Australia, Nigeria and Senegal and are the first envoys appointed by Mugabe in 30 years who are not members of ZANU-PF.

Harassment of WOZA members continues

Members of Women and Men of Zimbabwe Arise have been arrested and later released without charges on two different occasions this month. On 2 February, 22 members were taken into custody in Bulawayo for discussing the constitution at a private meeting. They were released the same day. Two more women were arrested at a protest in Mutare on 17 February and spent two days in custody until they were released due to lack of criminal evidence.