

AFRICA RISK CONSULTING

Zimbabwe Monthly Briefing February 2021

Zimbabwe Summary 8 February 2021

The deaths of four cabinet ministers to Covid-19 have increased policy uncertainty in Zimbabwe. President Emmerson Mnangagwa (2017-present) appoints Frederick Shava as foreign affairs minister and Felix Mona as transport and infrastructural development minister. Government extends countrywide lockdown to 15 February, adding to economic insecurity. Mnangagwa says Zimbabwe plans to vaccinate at least 60% of the population (9 million people), at no cost to citizens, using public and private sector funds. Zimbabwe's score in Germany-based non-governmental organisation Transparency International's 2020 Corruption Perceptions Index (CPI) remains unchanged from the 2019 CPI, although its ranking has improved slightly to 157th out of 180 countries surveyed, still the lowest among the Southern African Development Community countries. The United Kingdom government announces sanctions on four Zimbabwean security officials over alleged human rights abuses.

Cabinet Covid deaths add to policy uncertainty ...

Zimbabwe has lost four government ministers to **Covid-19**, with three ministers succumbing in January alone. The deaths of the four cabinet ministers has underlined the seriousness of the Covid pandemic in Zimbabwe and increased policy uncertainty in the government. Former **Air Force of Zimbabwe** officer **Perrance Shiri** died of Covid-19 on 29 July while serving as agriculture minister (see *ARC Briefing Zimbabwe August 2020*) while **Zimbabwe Defence Forces (ZDF)** spokesman Colonel **Overson Mugwisi** died two days later at the army's **One Commando Barracks Hospital** in Harare.¹

Covid-19 claimed the lives of three cabinet ministers in January. **Manicaland** provincial affairs minister **Ellen Gwaradzimba** died on 15 January, while foreign affairs minister and former **Zimbabwe National Army (ZNA)** general **Sibusiso Moyo** died of Covid-19-related complications on 20 January.² Transport and infrastructural development minister **Joel Biggie Matiza** died on 22 January.³ Shiri, Moyo and Matiza held strategic positions in government, given the administration's emphasis on agriculture, infrastructure and economic diplomacy as key pillars of its **Vision 2030** ("Towards a prosperous and empowered upper middle-income society by 2030").

The **Office of the President and Cabinet (OPC)** announced on 8 February the appointment of new ministers to replace Moyo and Matiza.⁴ Zimbabwe's ambassador to the **United Nations (UN)**, Dr. **Frederick Shava**, becomes Zimbabwe's new foreign affairs minister.⁵ Shava was ambassador to **China** from 2007 to 2014. He served as minister of state for political affairs in 1987 and labour minister from 1981 to 1986.⁶ His appointment is controversial. Although some Zimbabweans welcome his UN experience and former role in China-Zimbabwe relations,

¹ NewZimbabwe, 31 Jul 2020.

² Herald, 20 Jan 2021

³ Nehanda Radio, 22 Jan 2021

⁴ Office of the Presidency and Cabinet (OPC) press release, 8 Feb 2021

⁵ Office of the Presidency and Cabinet (OPC) press release, 8 Feb 2021

⁶ United Nations, 2016

he was implicated in the **Willowgate** scandal, which involved the illegal resale of automobile purchases from **Willowvale Motor Industries** by government officials between 1988 and 1989.⁷ The scandal led to Shava's resignation from cabinet. Shava is a well-known Mnangagwa ally.

Chikomba Central (Mashonaland East) MP Felix Mhona will replace Matiza as transport and infrastructural development minister. Mhona has no prior experience in the transport and infrastructure sector or any other ministry. He holds an MBA from **Nottingham Trent University** in the **United Kingdom (UK)**.⁸ Deputy home affairs minister **Michael Madiro** becomes deputy transport minister.

President **Emmerson Mnangagwa** (2017-present) appointed former **Zimbabwe Agricultural Society (ZAS)** CEO **Anxious Jongwe Masuka** in August to step into Shiri's shoes as agriculture minister. Masuka has prior experience at the **University of Zimbabwe (UZ)**, **Zimbabwe Forestry Commission (ZFC)** and the **Tobacco Research Board**.⁹

Most of Zimbabwe's cabinet ministers are over 50, raising fears of further losses to Covid. Mnangagwa is 78, while vice-president Constantino Chiwenga is 64. Chiwenga had frequently sought medical attention in **Singapore** before the **World Health Organization (WHO)** declared Covid-19 a pandemic on 11 March. With global travel restrictions still in force in much of the world, government ministers are now limited to using Zimbabwe's domestic health services, which have deteriorated over the years. In the absence of a rapid improvement in Covid-19 figures, Zimbabwe can expect to lose more ministers in the foreseeable future.

Lockdown extension poses further threats to the economy ...

In a bid to curb the spread of the coronavirus, vice president Constantino Chiwenga announced on 29 January the extension of a 30-day nationwide lockdown, which began on 5 January (see *ARC Briefing Zimbabwe January 2021*), to 15 February.¹⁰ As of 8 February, Zimbabwe had recorded 34,552 cases, including 28,551 recoveries and 1,326 deaths in its population of roughly 15 million, indicating an infection rate of 2,305 per million and a death rate of 88 per million.¹¹ The lockdown includes border closures, curfew from 18:00 to 06:00, a ban on gatherings, except for funerals, which are limited to no more than 30 attendees, and operation of essential services only, such as hospitals, pharmacies and supermarkets.¹²

Although the lockdown has stabilised the infection rate, it has heightened socioeconomic insecurity. Since the hard lockdown began on 5 January, businesses have lost 30% of their revenue.¹³ The **Confederation of Zimbabwe Retailers (CZR)** has called for the relaxation of the lockdown regulations in order to rescue adversely affected businesses and the livelihoods of the general public. CZR president **Denford Mutashu** on 8 February called on the industry and commerce ministry to come up with a stimulus package for businesses to prevent risk of closures.¹⁴ Mutashu noted that the hard lockdown is causing further financial strain, as drugs, bread and other essentials are being sold at higher prices to compensate for lower sales volumes.¹⁵

The education sector is also reeling from Covid-19 side effects, with public schools closed until further notice. The 2020 academic year was punctuated by long breaks from school due to

⁷ Voice of America (VOA), 8 Feb 2021

⁸ OPC, 8 Feb 2021

⁹ Harare Live, 7 Sept 2020

¹⁰ VOA, 30 Jan 2021

¹¹ Worldometers, accessed 7 Feb 2021

¹² News24, 3 Jan 2021

¹³ NewsDay, 8 Feb 2021

¹⁴ NewsDay, 8 Feb 2021

¹⁵ NewsDay, 8 Feb 2021

lockdown-imposed closure and teachers' refusal to return to their classrooms without guarantees of adequate sanitation measures. The **Progressive Teachers Union (PTU)** has blamed the government for failing to prioritise teachers' welfare and student challenges. According to the **Zimbabwe Schools Examinations Council (ZIMSEC)**, the pass rate for the 2020 grade seven primary school exit exams was only 37.11%.¹⁶ Most students were ill prepared for the exams due to Covid-19 related challenges such as limited access to online educational materials or radio and television-based content. Failure to complete the syllabus on time undermined many students' chances of passing.

Although some universities have adopted remote learning strategies, data costs and limited access to computers and other information technology tools have limited interactions to learning on social media platform **WhatsApp**.¹⁷ Home internet facilities are costly for many and frequent power cuts interrupt studying at home.

The demise of Zimbabwe's education sector spells disaster for its already ailing economy. Previously thriving local businesses were proof of the value of the country's hitherto well-regarded education system. High throughput levels and quality education have helped millions of Zimbabweans to gain skills and qualifications for employment across the border and overseas. The over \$2 billion worth of annual remittances is a key indicator of the benefit of a well-educated diaspora. Donors and investors will need to work with the ministries of higher and tertiary education and primary and secondary education to develop strategies for saving the education sector.

... and the race for vaccination is on ...

President Mnangagwa has noted Zimbabwe's plans to vaccinate at least 60% of the population (9 million people), at no cost to the citizens, using public and private sector funds.¹⁸ The government has set aside at least \$100m for Covid-19 vaccines.¹⁹ China is set to send at least 200,000 free doses of its **Sinopharm** Covid-19 vaccine to Zimbabwe in February.²⁰ **Harare** has appealed for vaccine funding from supporters across the international community. **Russia** is also expected to make a contribution in the foreseeable future. **South Africa**-based telecommunications company **MTN** has pledged to donate \$25m for 7 million vaccines for the African continent.²¹ Zimbabwe will also explore vaccine funding from the **African Union (AU)**, which has secured 1 billion vaccines for its 54 member states.

Although the government has yet to announce a vaccination timeline, patronage links are likely to undermine fair distribution of the vaccines. Frontline health care workers will, however, be prioritised.

... as corruption threatens Covid response and economic recovery

Zimbabwe has marginally improved its ranking in **Germany**-based non-governmental organisation **Transparency International's 2020 Corruption Perceptions Index (CPI)**, recording a score of 24 out of 100 and ranking 157th out of 180 countries surveyed.²² The index ranks countries based on perceived levels of public sector corruption. A score of zero reflects the highest level of corruption and 100 indicates that a government is very clean.²³ Factors that influenced Zimbabwe's ranking are the continuing prevalence of political patronage and

¹⁶ New Zimbabwe, 7 Feb 2021

¹⁷ ARC Source, technology university student, Zimbabwe

¹⁸ Zimbabwe Broadcasting Corporation (ZBC), 4 Feb 2021

¹⁹ Business Day, 31 Jan 2021

²⁰ News24, 4 Feb 2021

²¹ SABC News, 1 Feb 2021

²² Transparency International, 2021

²³ Transparency International, 2021

misappropriation of state funds and resources.

| TI 2020 CPI Rankings for Zimbabwe | | | | | |
|-----------------------------------|---------|---------|---------|---------|---------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| Ranking | 157/180 | 158/180 | 160/180 | 157/180 | 154/176 |
| Score | 24 | 24 | 22 | 22 | 22 |

Despite Zimbabwe's slight improvement from its 2019 ranking of 158th out of 180, it compares unfavourably with its **Southern African Development Community (SADC)** neighbours, particularly **Botswana**, which ranked 35th with a score of 60. Zimbabwe placed below the **sub-Saharan Africa** average score of 32.

| TI CPI Rankings 2020: Regional comparison (Southern Africa) | | | | | |
|---|--------------|------------|---------|----------|----------|
| | South Africa | Mozambique | Zambia | Botswana | Zimbabwe |
| Ranking | 69/180 | 149/180 | 117/180 | 35/180 | 157/180 |
| Score | 44 | 25 | 33 | 60 | 24 |

Transparency International (TI) points out in its report, released on 28 January, that corruption has been prevalent globally across the Covid-19 response, from bribery for Covid-19 tests, treatment and other health services, to public procurement of medical supplies and overall emergency preparedness.²⁴ TI notes that countries that perform badly on the CPI are more likely to violate democratic norms and institutions or the rule of law when responding to a crisis.

Zimbabwe has not been immune to the scourge of Covid corruption, demonstrating a clear lack of transparency in the distribution of relief funds and aid. Mnangagwa himself was alleged to be implicated in a procurement corruption scandal involving the irregular awarding of contracts worth over \$60m to **Dubai-based Drax International** for the supply of drugs and equipment to be used in Zimbabwe's public hospitals (see *ARC Briefing Zimbabwe June 2020*). The corruption came to light in June after Drax's Zimbabwe representative, **Delish Nguwaya**, was awarded a \$2m contract to supply personal protective equipment (PPE) in public hospitals in the fight against Covid-19, at prices substantially higher than those on the market – Drax charged \$28 for N95 masks that cost \$4 on the market.²⁵

Corruption is rampant in Zimbabwe's public procurement process in which politically connected individuals create fictitious companies to secure government contracts.²⁶ The government's failure to combat corruption results from an entrenched system of self-enrichment and patronage within the governing regime.²⁷

Health sector allocations have improved service conditions. The **Zimbabwe Association of Doctors for Human Rights (ZADHR)** noted that hospitals could not meet the demand for admissions during the surge of cases in January, which saw a spike in Covid-19 infections in frontline workers. The ZADHR reported that at least 1,000 workers were infected due to lack of PPE.²⁸ Medical associations continue to highlight concerns about lack of PPE and the shortage of intensive care units for critical patients.

²⁴ Transparency International, 28 Jan 2021

²⁵ New Zimbabwe, 9 Jun 2020.

²⁶ Source, analyst, London

²⁷ Source, analyst, London

²⁸ CNN, 6 Jan 2021

Efforts to investigate corrupt acts committed by senior bureaucrats and former ministers have not deterred the perpetrators. The Covid-19 induced lockdown has delayed progress in government projects, which could exacerbate corruption, as many heads of ministries have leeway to channel funds towards personal projects.²⁹

President Mnangagwa's "*Zimbabwe is Open for Business*" mantra, spearheaded by the **Ministry of Foreign Affairs and International Trade (MoFAIT)**, has so far failed to strengthen relations with the international community and inspire greater investor confidence. Zimbabwe's call for western sanctions to be lifted has not been fruitful. The **Joe Biden** (2021-present) administration is unlikely to repeal the **United States Zimbabwe Democracy and Economic Recovery Act (ZIDERA)**, which seeks to support the people of Zimbabwe by calling for peace, democracy, respect for the rule of law and equitable economic growth.

The UK government on 1 February announced sanctions on four Zimbabwean security officials over alleged human rights abuses, in a move that will restrict their travel to Britain and freeze their assets. The four individuals are state security minister **Owen Ncube**, **Central Intelligence Organisation** chief **Isaac Moyo**, **Zimbabwe Republic Police** commissioner general **Godwin Matanga** and presidential guard former commander **Anselem Sanyatwe**.³⁰

The **European Union (EU)** is equally unlikely to review its sanctions on Zimbabwean individuals due to its concerns about Zimbabwe's poor governance and human rights record. The government's failure to demonstrate commitment to the wellbeing of its people during the pandemic have further eroded confidence in the Mnangagwa administration. Zimbabwe lost its right to vote at the **United Nations General Assembly** at the beginning of January, due to its debts to the organisation. It has since recovered its voting rights after paying its debt of \$81,770.³¹ The **World Bank's** lending programme in Zimbabwe is currently inactive due to arrears. The bank has noted that fiscal policy missteps and high inflation continue to undermine prospects for economic recovery and foreign investment.³²

²⁹ ARC source, political analyst

³⁰ UK government website, 1 Feb 2021

³¹ Agence France Presse (AFP), 20 Jan 2021

³² World Bank, 15 Aug 2020

Planner

July 2023 (Zimbabwe) – Harmonised elections

Chronology

8 Feb 2021 Harare (Zimbabwe) *New Zimbabwe*. President **Emmerson Mnangagwa** appoints **Frederick Shava** as the new foreign minister, replacing the late **Sibusiso Moyo** who succumbed to **Covid-19**, and makes several new appointments that political analysts say are Mnangagwa loyalists;

8 Feb 2021 Harare (Zimbabwe) *Herald*. **Zimbabwe National Road Administration Agency (ZINARA)** will spend \$1 billion to upgrade seven toll plazas.

8 Feb 2021 Harare (Zimbabwe) *News Day*. **Special Anti-Corruption Unit** arrests former labour and social welfare minister **Petronella Kagonye** in connection with alleged illegal land dealings;

8 Feb 2021 Harare (Zimbabwe) *Press release*. **Zimbabwe National Statistics Agency (Zimstat)** reports that prices of goods and services in Zimbabwe increased by an average of 362.63% between January 2020 and January 2021;

6 Feb 2021 Harare (Zimbabwe) *News Hawks*. Government sources say President **Emmerson Mnangagwa** is moving to tighten his grip on power in government by phasing out the military in cabinet, while bringing in close political allies, following the death of four ministers due to **Covid-19**;

6 Feb 2021 Harare (Zimbabwe) *News Hawks*. President **Emmerson Mnangagwa**'s cabinet last met on 8 December, before Mnangagwa went on annual leave from 1 January to 1 February, raising concerns of a leadership crisis;

6 Feb 2021 Harare (Zimbabwe) *News Hawks*. Investigative media outlet **News Hawks** reveals that power utility **Zimbabwe Electricity Supply Authority** subsidiary **Zimbabwe Electricity Transmission and Distribution Company** could be losing millions of **United States** dollars through the manipulation of information technology billing system by its employees;

5 Feb 2021 Harare (Zimbabwe) *New Zimbabwe*. President **Emmerson Mnangagwa** delivers his **State of the Nation** address, saying citizens won't pay for **Covid-19** vaccines and that the **Chinese** government has donated 200,000 doses of the **Sinopharm** vaccine;

5 Feb 2021 Harare (Zimbabwe) *Mining MX*. **South Africa**-based **Anglo American Platinum (Amplats)** will announce on 22 February its future involvement in **Zimbabwe**'s platinum group metal industry;

3 Feb 2021 Harare (Zimbabwe) *News24*. Government removes an amendment to the **Finance Act** which had given government power to control at least 51% ownership in mining entities – meaning foreign entities can now fully own mines in **Zimbabwe**;

3 Feb 2021 Harare (Zimbabwe) *New Zimbabwe*. Opposition **MDC Alliance** party retains control of the **Harare City Council** after **Ward 9** councillor and party loyalist **Stewart Mutizwa** was appointed acting mayor by acting local government minister **Jenfan Muswere**;

2 Feb 2021 Harare (Zimbabwe) *Press release*. **Zimbabwe National Roads Administration (ZINARA)** raises tollgate fees to US\$2 for light vehicles, \$3 for minibuses, \$4 for buses, \$5 for heavy vehicles and \$10 for haulage trucks;

1 Feb 2021 Harare (Zimbabwe) *Gov.uk*. **United Kingdom** imposes sanctions on four **Zimbabwean** security officials over alleged human rights abuses, in a move that will restrict

their travel to Britain and freeze their assets – the sanctioned individuals are state security minister **Owen Ncube**, **Central Intelligence Organisation** chief **Isaac Moyo**, **Zimbabwe Republic Police** commissioner general **Godwin Matanga** and presidential guard former commander **Anselem Sanyatwe**;

31 Jan 2021 **Harare (Zimbabwe)** *Sunday Mail*. **Zimbabwe Revenue Authority** says gross collections for Q4 2020 were around ZWL94.3 billion (\$1.14 billion), slightly exceeding the target;

28 Jan 2021 **Harare (Zimbabwe)** *Business Day*. Mining companies say **Reserve Bank of Zimbabwe's** (central bank) new requirement compelling them to hand over 40% of their foreign currency earnings from mineral exports, up from 30%, will push their operations to the brink;

28 Jan 2021 **(Africa)** *WHO*. **World Health Organisation** says variant of the **coronavirus** first identified in **South Africa** is driving record numbers of infections and deaths as it spreads across **Africa**, and that it expects to see at least 30% of Africa immunised by the end of 2021;

27 Jan 2021 **Harare (Zimbabwe)** *New Zimbabwe*. **United States Department of State** former deputy assistant secretary of African affairs, **Todd Moss**, says sanctions against **Zimbabwe** will remain under President **Joe Biden**, and it is a waste of money for President **Emmerson Mnangagwa's** administration to hire public relations firms to lobby on its behalf;

27 Jan 2021 **Harare (Zimbabwe)** *New Zimbabwe*. Harare court grants freelance journalist **Hopewell Chin'ono** bail after incarceration of 20 days in the country's notorious **Chikurubi** maximum security jail;

25 Jan 2021 **Harare (Zimbabwe)** *Business Day*. Health official says **Russia** and **China** have offered vaccines to **Zimbabwe** amid concern about the country's ability to afford them;

21 Jan 2021 **(Africa)** *CDC Group*. **United Kingdom**-based investment firm **CDC Group** announces a commitment to invest over \$1 billion in **African** businesses in 2021;

20 Jan 2021 **Harare (Zimbabwe)** *New Zimbabwe*. Foreign affairs minister **Sibusiso Moyo** dies, reportedly from **Covid-19**;

19 Jan 2021 **Harare (Zimbabwe)** *Bloomberg*. Local banks offer workers a once-off 349% annual-pay increase, falling far short of labour union demands and setting the stage for a potential legal challenge;

19 Jan 2021 **(Africa)** *CDC Group*. **United Kingdom**-based development finance institution **CDC Group** announces a \$100m debt commitment to multilateral development financial institution **Eastern and Southern African Trade and Development Bank**;

11 Jan 2021 **Harare (Zimbabwe)** *New Zimbabwe*. Ruling **Zanu-PF** party spokesperson **Tafadzwa Mugwadi** threatens to reveal "a bombshell" regarding a recent visit by a **South Africa** ruling **ANC** party delegation to **Zimbabwe**, which is allegedly about South Africa's President **Cyril Ramaphosa** secretly funding Zimbabwe opposition leader **Nelson Chamisa**;

11 Jan 2021 **Harare (Zimbabwe)** *Reuters*. Gold sales to sole buyer and exporter of bullion, state-owned **Fidelity Printers and Refiners**, fell 31% to 19 tonnes last year after lower deliveries from small-scale miners and a rise in illegal buyers;

11 Jan 2021 **Johannesburg (South Africa)** *Business Day*. President **Cyril Ramaphosa** announces the closure of 20 land border posts until 15 February and tightens restriction measures to curb the spread of **Covid-19**;

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