

## AFRICA RISK CONSULTING

### Zimbabwe Briefing April 2026

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#### Zimbabwe Summary 13 April 2026

*The contentious Constitution Amendment (No. 3) Bill, which seeks to extend the term of President Emmerson Mnangagwa (2017-present) and scrap future presidential elections, enters a decisive new phase of parliamentary debate despite widespread criticism over its implications for democracy. Government outlines a series of stringent conditions that lithium producers must meet before the ban on lithium concentrate exports can be lifted. Financial results released by Zimbabwean companies provide a picture of a disconnect between the government's plans to move towards the sole use of the ZiG currency and the reality on the ground, which shows increased dollarisation and a reduced role for banks in the formal economy.*

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#### Constitutional bill heads for parliament debate amid growing outcry

Zimbabwe's contentious **Constitution Amendment (No. 3) Bill** has entered a decisive new phase, with the ruling ZANU-PF party [pushing](#) it into parliament for debate despite widespread criticism over its implications for democracy. The move marks a significant escalation in efforts by President **Emmerson Mnangagwa's** (2017-present) loyalists to extend his time in office and potentially eliminate future presidential elections.

The bill's transition to parliamentary debate follows a deeply disputed public consultation process that critics say was neither free nor fair. Instead of serving as a platform for citizens to express their views, the hearings were characterised by [reports](#) of intimidation, coercion, and outright harassment of those opposing the proposed changes. Observers described chaotic scenes in which dissenting voices were silenced, raising serious concerns about the legitimacy of the process that paved the way for the bill's advancement.

At the centre of the controversy is the fear that the proposed constitutional amendments will significantly weaken Zimbabwe's democratic framework. Legal analysts and civil society groups argue that extending presidential terms without electoral consent undermines the constitutional principle of regular leadership renewal. Even more alarming is the suggestion that future presidential elections could be scrapped altogether, with parliament tasked with electing the president.

The **Zimbabwe Human Rights Commission (ZHRC)**, a constitutionally established watchdog, has [taken](#) a firm stance against the bill, warning that the proposed changes would erode key democratic safeguards and restrict citizens' political rights. The commission, as well as legal experts and members of the opposition, say that any such sweeping constitutional reform should be subjected to a national referendum, but Mnangagwa's supporters say such an amendment does not require a referendum.

In a move that intensified the political tension surrounding the issue, Mnangagwa [removed](#) ZHRC chairperson, **Fungayi Jessie Majome**, shortly after the commission publicly criticised the amendment, and reassigned her to the **Public Service Commission**, a move legal experts condemned as unconstitutional and void. The timing of the dismissal has been widely

interpreted as retaliation, signalling a broader pattern of intolerance toward institutional dissent.

Despite the growing backlash, ZANU-PF appears firmly committed to pushing the bill through the legislative process. The party has framed the amendment as a necessary step toward ensuring political stability and continuity, though critics argue that such justifications fall short of addressing the democratic risks involved.

As the bill heads into parliamentary debate, the outcome appears increasingly predictable. With ZANU-PF holding more than the two-thirds majority required to amend the constitution, the debate is likely to be little more than a procedural step rather than a genuine contest of ideas in parliament.

### Government imposes new lithium sector demands

The government has outlined a series of stringent conditions that lithium producers must meet before the ban on lithium concentrate exports can be lifted, reflecting the state's growing concern over lost revenue, weak labour conditions, and limited domestic beneficiation of one of the country's most strategic minerals.

At the core of the government's position is a push for value addition within Zimbabwe. Lithium miners are now [required](#) to invest in local processing plants, particularly facilities that can upgrade lithium concentrates into higher-value products such as lithium sulphate or carbonate. Authorities argue that exporting raw or semi-processed lithium deprives the country of significant economic benefits.

In addition to beneficiation, the government is demanding greater transparency in mineral reporting. Producers will be required to implement stricter systems to ensure accurate declaration of output, addressing allegations that some firms have been underreporting volumes to evade taxes and royalties. This will likely involve tighter regulatory oversight and monitoring mechanisms at mine sites and export points.

Labour conditions have also come under scrutiny, with the government insisting on improved wages and working conditions for mine workers, citing concerns that employees in the lithium sector are underpaid relative to the high global value of the mineral. Companies will now be expected to align compensation more closely with industry standards and ensure safer working environments.

Another key new requirement is increased local participation and economic linkages. Mining firms are being encouraged, or compelled, to support local suppliers, develop community infrastructure, and contribute more meaningfully to national development. This includes potential partnerships with state entities or local investors.

These demands follow the government's [decision](#) in February to suspend exports of lithium concentrates, a move that sent shockwaves through the mining sector and global markets, including key importers such as **China**. Authorities justified the ban by accusing some producers of under-declaring mineral output, thereby depriving the state of much-needed revenue. The suspension was also framed as a corrective measure to halt what has been described as a 'lithium rip-off', where foreign firms allegedly reap disproportionate profits from Zimbabwe's natural resources.

Reports indicate that multinational mining companies have been [earning](#) as much as \$20,000 per tonne from lithium exports on international markets, while production costs in Zimbabwe are estimated at around \$370 per tonne. This staggering margin, more than 50 times the cost of production, has fuelled public and political pressure on the government to take a firmer stance on resource governance.

While the government's push for value addition is strategically sound, [significant](#) structural challenges remain, as the idea of relocating battery manufacturing operations to Zimbabwe faces serious constraints. One of the biggest hurdles is the energy infrastructure gap, as battery production is highly energy-intensive, yet Zimbabwe continues to experience power shortages and an unreliable electricity supply. Without stable and affordable energy, large-scale industrial operations are difficult to sustain.

Logistics is another major [barrier](#) as efficient battery manufacturing requires seamless access to global supply chains, including the import of specialised equipment and export of finished products. There is also a shortage of industrial inputs and Zimbabwe would need reliable and competitively priced supplies of graphite, copper, aluminium, nickel, manganese, cobalt, iron, and steel.

Finally, market access poses a challenge as major battery manufacturers are typically located close to large consumer markets or established industrial hubs. For example, **Australia**, which produces more than half the world's lithium, only value-adds a fraction of it locally as it is considered too small a market and too far from major Electric Vehicle (EV) manufacturing hubs to attract large-scale battery investment.

While Zimbabwe's new demands on lithium producers mark an important step toward maximising national benefit from its mineral wealth, the transition from raw material exporter to battery manufacturing hub remains a challenge as significant investments in infrastructure, energy, and industrial capacity will be required.

### Corporate results expose currency reality and the shrinking role of banks

Recent financial results released by Zimbabwean companies have provided a picture of a disconnection between the government's plans to move towards the sole use of the ZiG currency and the reality on the ground, which shows increased dollarisation and an increasingly irrelevant financial system.

Diversified group **Innscor Africa**, retail company **Axia Corporation**, quick service operator **Simbisa Brands**, **British American Tobacco (BAT) Zimbabwe**, **CBZ Holdings Zimbabwe**, and property firm **Mashonaland Holdings** are among the firms that [published](#) their results in March, per **Zimbabwe Stock Exchange (ZSE)** and **Victoria Falls Stock Exchange (VFEX)** requirements.

Although companies are required to publish their results in ZiG, a dominant phenomenon across their corporate disclosures is the overwhelming use of the **United States (US)** dollar, with many firms reporting that more than 90% of their revenues are generated in US dollars, with some executives [noting](#) that access to ZiG is so limited that it barely features in day-to-day operations. In the informal sector, which constitutes a large share of Zimbabwe's economy, US dollar usage is effectively total, while in some rural areas, ZiG has little to no presence.

This reality stands in stark contrast to the government and **Reserve Bank of Zimbabwe's (RBZ)** (central bank) stated objective of moving toward a mono-currency regime, potentially even before 2030. While policymakers [say](#) this transition is necessary for monetary sovereignty and stability, the market appears to be sending a very different signal.

At the centre of this structural shift is the declining relevance of the banking sector, with total bank deposits estimated at under \$5 billion against a GDP of over \$50 billion, showing that financial intermediation in Zimbabwe is extremely shallow, at less than 10% of GDP. This is a significant indicator of how much economic activity occurs outside formal financial channels. In comparison, South Africa's total deposits in the banking sector were [reported](#) at \$373 billion as of September 2025, which is about 84% of the country's GDP of \$443 billion, showing a structure where economic activity is largely captured by the formal banking sector.

Zimbabwe's weak banking sector not only limits the effectiveness of monetary policy but also suggests that Zimbabwe is functioning largely as a cash-based, informal, and possibly transitory trading economy, rather than one driven by production and formal investment.

### Planner

Jun 2026 **Harare (Zimbabwe) Reserve Bank of Zimbabwe (RBZ)** (central bank) **Monetary Policy Committee (MPC)** decision

Jul 2026 **Harare (Zimbabwe)** 2026 Zimbabwe National Budget midterm review

28 May 2027 **(South Africa)** Expiry of special residence permits for Zimbabweans living in South Africa

### Chronology

13 Apr 2026 **Harare (Zimbabwe) The Herald**. Chinese firms, **Sunny Yi Feng** and **Wintrue Holdings** are planning to inject \$500m into coal-to-fertiliser production to bolster domestic supply and insulate the country against external shocks;

13 Apr 2026 **Harare (Zimbabwe) The Herald**. Farmers have earned more than \$256m from the sale of 94 million kilogrammes of flue-cured tobacco since the opening of the marketing season last month, a 66% increase from the 56.6 million kilogrammes, valued at \$196.4m, sold in the same period last year;

12 Apr 2026 **Harare (Zimbabwe) The Herald**. Zimbabwe and **Zambia** sign a memorandum of understanding (MoU) for the construction of a 311km strategic railway line linking **Lion's Den** in Zimbabwe to **Kafue** in Zambia, which is estimated to cost \$2.18 billion;

9 Apr 2026 **Bindura (Zimbabwe) Mining Zimbabwe**. The mines ministry suspends all mining and related operations at **Botha Mine** and in the affected boundary area of **Freda Rebecca Gold Mine**, due to serious safety risks, including escalating violence at the mine, the presence of unauthorised persons, and illegal mining activities;

9 Apr 2026 **Harare (Zimbabwe) Bloomberg**. Deputy finance minister, **Kudakwashe Mngagwa**, says that despite ongoing conflicts in the **Middle East**, Zimbabwe's gold trade continues to flow smoothly through the region with no concerns having been received from the country's gold refiner, **Fidelity Printers and Refineries**;

9 Apr 2026 **Harare (Zimbabwe) Newsday**. Finance minister, **Mthuli Ncube**, unveils a wide-ranging reform package aimed at revitalising the agricultural sector, with new measures aimed at improving regulatory quality and creating a more investor-friendly environment;

9 Apr 2026 **Harare (Zimbabwe) Newswire**. **Econet InfraCo**, which recently listed on the **Victoria Falls Stock Exchange (VFSE)**, announces plans for a multimillion-dollar luxury resort in Victoria Falls, as part of the newly listed platform's broader strategy to expand into high-end tourism infrastructure;

8 Apr 2026 **Harare (Zimbabwe) Herald Online**. Government says it has identified at least eight mining sites, mainly in the lithium and iron sectors, for designation as Special Economic Zones, in a major policy position aimed at boosting mineral value addition, attracting investment, and accelerating industrialisation;

8 Apr 2026 **Harare (Zimbabwe) Newsday**. **Cayman Islands**-headquartered **Namib Minerals** anticipates incurring sustaining and expanding capital expenditures of \$17m for its flagship **How Gold Mine** this year, as it expects to increase production by 12% to 26%;

- 7 Apr 2026 **Harare (Zimbabwe)** *Zimbabwe Mail*. Government launches a two-week pilot programme aimed at validating and digitally re-issuing property title deeds as part of broader efforts to modernise the property registration system and improve the security, efficiency and accessibility of land records;
- 6 Apr 2026 **Harare (Zimbabwe)** *Herald Online*. Government introduces new import regulatory controls on items like cement, steel, footwear, and food products in efforts to protect local manufacturers and curb foreign currency outflow;
- 2 Apr 2026 **Harare (Zimbabwe)** *Law360*. Finance minister, **Mthuli Ncube**, denies liability in a claim by **Libya's** central bank for \$102m over an unpaid loan to a Zimbabwean state-owned fuel distribution company;
- 31 Mar 2026 **Harare (Zimbabwe)** *New Zimbabwe*. Zimbabwe delivers its third consignment of relief supplies to **Malawi**, consisting of 1,000 tonnes of maize to help address the food insecurity caused by recent droughts;
- 30 Mar 2026 **Bulawayo (Zimbabwe)** *CajNews Africa*. Public hearings for a proposed constitutional amendment are mired in controversy as high-profile figures, including executive mayor **David Coltart**, are allegedly sidelined and denied the opportunity to contribute;
- 26 Mar 2026 **Harare (Zimbabwe)** *BBC*. Information Minister **Zhemu Soda** says that 15 Zimbabweans have been killed after being recruited to fight for **Russia** in its ongoing war with **Ukraine**, with more than 60 still trapped on the frontlines;
- 26 Mar 2026 **Fort Rixon (Zimbabwe)** *Herald Online*. **United Kingdom-based Premier African Minerals** says its **Zulu Lithium** project has accumulated approximately 5,000 tonnes of ore on the run-of-mine (ROM) stockpile, positioning the company for imminent commissioning activities;
- 25 Mar 2026 **Harare (Zimbabwe)** *Newsday*. **Zimbabwe Anti-Corruption Commission (ZACC)** arrests **Chiredzi South** member of parliament **Joel Sithole** for allegedly misappropriating ZiG \$1.23m (\$50,000) of constituency development funds meant for school and clinic upgrades;
- 25 Mar 2026 **Harare (Zimbabwe)** *The Herald*. **Reserve Bank of Zimbabwe** (central bank) leaves its benchmark interest rate unchanged at 35% in response to the inflationary impact of the global oil price shock, while reaffirming confidence that annual inflation will remain in single digits throughout the year;
- 25 Mar 2026 **Harare (Zimbabwe)** *The Herald*. The **Confederation of Zimbabwe Industries** says 56.1% of local firms have experienced supply chain disruptions, such as delays in the delivery of raw materials due to the impact of the **United States-Israel** conflict with **Iran**;
- 25 Mar 2026 **Harare (Zimbabwe)** *The Herald*. Cabinet approves plans to cut selected, time-bound fuel taxes to ease inflationary pressures and protect consumers amid fuel supply disruptions linked to the war in the **Middle East**;
- 24 Mar 2026 **Harare (Zimbabwe)** *The Herald*. Zimbabwe's sole producer of ammonium nitrate fertiliser, **Sable Chemical Industries**, is set to resume production in May following a capital injection from the **Mutapa Investment Fund**;
- 24 Mar 2026 **Harare (Zimbabwe)** *Newsday*. **Jersey-domiciled Caledonia Mining Corporation** increases its capital expenditure for the 2026 financial year by about 10% to \$178.9m, after securing fresh funding earlier this year;

24 Mar 2026 **Mutare (Zimbabwe)** *Newsday*. A court grants opposition leader, **Tendai Biti**, bail after spending the weekend in detention following his arrest alongside an activist, accused of holding a public meeting without notifying authorities;

17 Mar 2026 **Harare (Zimbabwe)** *The Herald*. The **Competition and Tariff Commission (CTC)** probes a proposed transaction by Zimbabwe's largest financial services group by deposits, **CBZ Holdings Limited**, to acquire a minority stake in local technology firm **Dokuma Private Limited**;

### About Africa Risk Consulting:

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