

AFRICA RISK CONSULTING

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Zimbabwe Summary 12 September 2026

President Emmerson Mnangagwa (2017-present) appoints United States (US)-sanctioned business tycoon Kudakwashe Tagwirei to the Senate, moving one of his most powerful business allies closer to the centre of the country's increasingly contested succession politics. The World Bank says Zimbabwe appears to be emerging from years of instability with stronger economic growth, but warns that the recovery will mean little for most unless it produces jobs, higher incomes and broader improvements in living standards. Zimbabwe gives Karo Platinum, a unit of Cyprus-based Tharisa Holdings, a 25-year special mining lease for its platinum-group metals operation on the Great Dyke, granting the project the maximum initial tenure allowed under the country's mining law and potentially setting a new benchmark for how the country seeks to attract large-scale mining capital.

Tagwirei's Senate elevation puts sanctioned tycoon at centre of succession

President **Emmerson Mnangagwa** (2017-present) has appointed ten new people to newly created **Senate** seats, including **United States (US)**-sanctioned business tycoon, **Kudakwashe Tagwirei**, moving one of his most powerful business allies closer to the centre of the country's increasingly contested succession politics. The Senate seats form part of the **Constitutional Amendment No. 3 (CAA3)**, which was signed into law in July. The other appointees include former war veterans leader **Jabulani Sibanda**, retired Major-General **Gibson Mashingaidze** and businessman **Godwills Masimirembwa**, expanding the Senate from 80 to 90 members.

Tagwirei, who has long been regarded as a major financier of the ruling **ZANU-PF** and has extensive interests in sectors including fuel and mining, was [incorporated](#) into the ruling party's **Central Committee** in 2025 (see *ARC Briefing Zimbabwe Aug 2025*). His elevation to Parliament now gives him a formal role within the state as well as the ruling party, substantially increasing his political clout.

The CAA3 has fundamentally altered Zimbabwe's succession politics as it extended the presidential and parliamentary terms from five to seven years, effectively moving the next general election from 2028 to 2030, while replacing direct presidential elections with a system in which Parliament elects the president (see *ARC Briefing Zimbabwe Jul 2026*). CAA3 gives Mnangagwa greater control over the timetable and the system through which his successor will eventually be selected while simultaneously weakening vice president **Constantino Chiwenga's** most obvious route to the presidency. CAA3 also gave the president the power to appoint ten additional senators based on professional skills and competencies.

Tagwirei's Senate appointment places him inside the parliamentary system that will eventually determine the presidency under the amended constitution. It also opens the door for a future cabinet appointment, since ministers can only be drawn from Parliament. This has inevitably fuelled speculation that he could be being positioned as a potential successor to Mnangagwa.

However, while Tagwirei has significant financial resources and close links to the presidency, he does not possess an established political base comparable to the traditional ZANU-PF establishment, nor does he command an independent constituency within the military or

security services. Those limitations would make a direct bid for the presidency politically difficult, particularly in a system where liberation-war credentials and security-sector relationships remain important sources of power.

His elevation could therefore produce resistance rather than simply consolidate support, as established ZANU-PF politicians and elements of the security establishment may view the rapid advancement of a businessman without deep roots in the party or military as a threat to their own influence. This makes Tagwirei's current position best understood as that of an increasingly influential architect of the political order CAA3 created, rather than a guaranteed successor to Mnangagwa.

His elevation also highlights a broader transformation underway inside ZANU-PF as businessmen such as Tagwirei, **Wicknell Chivayo** and **Paul Tungwarara** have become increasingly prominent alongside the party's traditional political and military elites, creating competing networks of political officials, security actors and wealthy businessmen seeking to shape who controls Zimbabwe after Mnangagwa.

World Bank warns economic turnaround faces a tougher test

Zimbabwe's economy appears to be emerging from years of instability, with stronger growth, falling inflation and greater currency stability prompting some investors to conclude that the country may finally be turning a corner. However, the **World Bank** has [warned](#) in its **Zimbabwe Country Growth and Jobs Report**, released on 4 September, the recovery will mean little for most Zimbabweans unless it produces jobs, higher incomes and broader improvements in living standards.

The report highlights that economic growth has accelerated sharply in recent years, averaging almost 6% between 2021 and 2025 after reaching 8.3% last year, but is yet to translate into sufficiently broad-based gains for households. This is due to the quality of economic growth - Zimbabwe remains heavily dependent on mining and agriculture, while much of the labour force operates in low-productivity informal activities, resulting in an economy capable of producing impressive GDP numbers without generating enough formal employment or substantially raising household incomes.

In a separate report, US-based **Citigroup** is considerably more bullish, [arguing](#) that Zimbabwe is now "*breaking with its past*", pointing to the combination of tighter monetary policy, falling inflation, improved exchange-rate stability and stronger commodity revenues. That view suggests Zimbabwe may finally be moving away from the cycle of monetary instability that has repeatedly undermined previous recoveries.

The next challenge could prove harder than stabilising the macroeconomy as Zimbabwe needs to convert growth in mining, agriculture and other productive sectors into a wider expansion of manufacturing, services and formal employment. It also needs to tackle infrastructure constraints, limited access to finance, weak private-sector investment and its unresolved debt problems.

Currency policy will be another test as the World Bank has [cautioned](#) against rushing to make the Zimbabwe Gold (ZiG) the country's sole currency, reflecting concerns that premature de-dollarisation could undermine the stability that has only recently begun to emerge.

Karo's 25-year lease signals Zimbabwe's new pitch for mining capital

The government [signed](#) an agreement on 24 August awarding **Karo Platinum** a 25-year **Special Mining Lease** for its platinum-group metals operation on the **Great Dyke**, granting the project the maximum initial tenure allowed under the country's mining law and potentially setting a new benchmark for how Zimbabwe seeks to attract large-scale mining capital.

Karo Platinum is 85% owned by **Cyprus-registered Karo Mining Holdings**, while the government owns 15% through **Generation Minerals**, an unencumbered free-carried interest. In practical terms, the government is entitled to its 15% share of the project without having to contribute proportionately to development costs under the agreed ownership structure. Cyprus-based **Tharisa Holdings**, which owns 78.17% of Karo Mining Holdings, consequently, has an effective 66.44% interest in Karo Platinum. For government, this [creates](#) a potentially attractive balance: attract foreign capital to develop the resource while retaining direct exposure to the project's future profits and other fiscal revenues.

The agreement, [signed](#) in the presence of Mnangagwa, covers 23,903 hectares in **Mashonaland West** and establishes the fiscal and operating framework for the Karo project. The company has already invested more than \$240m and plans to begin first ore production in the second half of 2027. Phase one is designed to produce about 226,000 ounces of Platinum Group Metals (PGMs) a year.

The significance of the agreement extends beyond Karo, as Zimbabwe's mining industry is central to the economy, accounting for approximately 14.5% of GDP and 75% of national exports. **Chamber of Mines** data indicates mineral exports [reached](#) an estimated \$8.6 billion in 2025, but the sector faces a substantial investment requirement. Industry leaders estimate that about \$10 billion of capital is needed over the next five years to sustain growth and expand production, and the government therefore has a strong incentive to offer investors greater certainty.

Zimbabwe has abundant deposits of gold, platinum, lithium, chrome and other minerals, but miners have faced power shortages, foreign-exchange constraints, exchange-rate risks and concerns over policy predictability. Platinum producers have also experienced delays in accessing export proceeds because of foreign-currency retention rules, with reports that **South Africa's Valterra Platinum** is [owed](#) about \$100m in unpaid export proceeds by Zimbabwe.

Against that backdrop, the Karo agreement is effectively a risk-reduction mechanism as the 25-year lease gives the investor long-term security of tenure while the agreed fiscal framework provides greater certainty over the economics of a capital-intensive project.

Zimbabwe's **Mines and Minerals Act** permits Special Mining Leases for up to 25 years, with possible ten-year renewals subject to the life of the mine and prevailing circumstances. Karo has therefore secured the maximum initial term available under the legislation, and the structure also [gives](#) the Zimbabwean state a significant economic interest without requiring it to fund the project's development.

For Karo and its parent Tharisa, the immediate priority is now execution, as the project has been [delayed](#) over the last few years by weaker PGM prices and financing pressures, with first production pushed into 2027. Karo's open-pit reserve is estimated at 2.1 million ounces and its mineral resource at 11.2 million ounces, while potential underground mining could support a project life exceeding 50 years.

If Karo moves into production on schedule, Zimbabwe can present the agreement as evidence that it can offer sufficiently predictable conditions for major mining investment as the country seeks billions of dollars of new capital to expand its mining industry. For investors, Karo will also be a test of whether the security promised in a mining agreement can withstand Zimbabwe's broader fiscal, foreign-exchange and policy pressures.

The deal could become an important test of whether the country is genuinely creating a more predictable environment for mining investors, or whether Karo is a highly negotiated exception that will be difficult to replicate across the sector.

Planner

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

Nov 2026 **Harare (Zimbabwe)** 2027 budget presentation

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

Chronology

8 Sep 2026 **Harare (Zimbabwe) Herald**. **Redwing Mine** applies to the high court for voluntary corporate rescue, triggering formal legal proceedings for the gold producer to undergo business rescue in terms of the **Insolvency Act**;

8 Sep 2026 **Harare (Zimbabwe) Bloomberg**. Zimbabwe bans the export of antimony and tungsten with immediate effect, as part of the government's efforts to force mining companies to refine more materials locally, with shipments of ores and concentrates also suspended;

7 Sep 2026 **Harare (Zimbabwe) Herald**. The listing of **Old Mutual** on the **Victoria Falls Stock Exchange (VFEX)** delivers a significant boost to market liquidity and turnover, with the counter quickly establishing itself as one of the most actively traded names on the bourse;

4 Sep 2026 **Harare (Zimbabwe) Bloomberg**. The **World Bank** cautions Zimbabwe against rushing to end the use of **United States (US)** dollars in the economy as it could trigger capital flight as the country has set 2030 as the deadline to phase out the domestic use of dollars and make its bullion-backed ZiG its only currency;

4 Sep 2026 **Harare (Zimbabwe) Zimlive**. **Blanket Mine** loses a bid to stop a \$335,966 compensation claim brought by the widow of a worker who died in a fatal underground accident at its **Gwanda** gold mine;

4 Sep 2026 **Harare (Zimbabwe) Herald**. **Varun Beverages Zimbabwe** will on 20 September begin the first phase of its much-anticipated partnership with **Danish** brewing giant **Carlsberg**, with the local company set to import and distribute the global beer brand ahead of local manufacturing next year;

3 Sep 2026 **Harare (Zimbabwe) Newswire**. **Zimplats**, a unit of **South Africa's Implats**, says it has made significant progress in resolving delayed payments from the government, after reaching a deal to use part of the \$78.1m owed to settle taxes and other obligations;

3 Sep 2026, **Harare (Zimbabwe) Zimlive**. The head of the **European Union** delegation to Zimbabwe, **Katrin Hagemann** (53), dies suddenly at her Harare residence;

2 Sep 2026 **Harare (Zimbabwe) Herald**. Zimbabwe will hosts a high-level business forum on the sidelines of the 2026 **United Nations General Assembly**, a platform expected to showcase trade, investment and tourism opportunities to an international audience;

1 Sep 2026 **Harare (Zimbabwe) Herald**. **Chinese** vehicle manufacturers continue to expand their footprint in Zimbabwe, intensifying competition in the sport utility vehicle (SUV) segment, with **JETOUR** becoming the latest global brand to establish operations in the country;

31 Aug 2026 **Harare (Zimbabwe) Herald**. State-owned **Mutapa Energy Resources** will relocate 104 families to make way for its \$300m lithium concentrator plant at its **Sandawana Mine** in **Zvishavane** by November 2027, with construction expected to begin by next month;

26 Aug 2026 **Harare (Zimbabwe)** *Newswire*. **Econet Wireless** and its subsidiaries, including **EcoCash** and **Econet InfraCo**, have moved their operations fully onto **Google Cloud**, in what the company says is the first migration of its scale by a major Zimbabwean business;

26 Aug 2026 **Harare (Zimbabwe)** *Herald*. **Zimbabwe National Statistics Agency** reports **ZiG** month-on-month inflation remained unchanged at 0.1% in August, with both local currency and **United States (US)** dollar measures staying in single digits for the eighth consecutive month;

25 Aug 2026 **Harare (Zimbabwe)** *Bloomberg*. **United States (US)**-based **Citigroup** says Zimbabwe is breaking with its past as an economic turnaround takes hold;

25 Aug 2026 **Harare (Zimbabwe)** *Zimlive*. **CBZ Holdings**, the country's largest bank, plans to mobilise \$600m to rehabilitate key highways linking Zimbabwe to regional markets, with the bank saying the country's wider road network could ultimately require as much as \$5 billion in investment;

24 Aug 2026 **Harare (Zimbabwe)** *Newswire*. The **Public Service Pension Fund (PSPF)** has doubled its stake in **CBZ Holdings**, the country's largest bank, to 22% after acquiring an additional 10% of the country's biggest banking group for the equivalent of \$96m;

20 Aug 2026 **Harare (Zimbabwe)** *Zimlive*. State-owned **Mutapa Gold Resources (MGR)** moves to integrate artisanal miners operating around its **Phoenix Springs** operation at **Freda Rebecca Mine**, as the gold producer develops a model that could bring informal miners into a more structured mining arrangement;

14 Aug 2026 **Harare (Zimbabwe)** *Herald*. Zimbabwe's continuous economic growth faces a significant setback if the projected super **El Niño** weather phenomenon materialises, with the **International Monetary Fund (IMF)** warning that the shock could halve the 2027 economic growth forecast of 4.2%;

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