



Zimbabwe Environmental
Law Association (ZELA)

MINING SECTOR SITUATIONAL REPORT (SIT-REP)

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State of Closed Large- and Small-Scale Mines and their Relationship with Artisanal Mining

1.0 INTRODUCTION¹

The mining industry has potential to resuscitate the Zimbabwean economy if the fluid and never-ending macro-economic, political, human rights and property rights factors and problems are comprehensively addressed by Government. The 2030 Vision which is anchored on mining² is expected to contribute US\$12 Billion by 2023³ by tapping into the gold, platinum, diamond, coal, chrome, copper and other mineral reserves that Zimbabwe is endowed with. Following years of collapse and closure of large-medium scale companies, some of which are still sitting on valuable mineral resources, and the emergence and increase in the number of artisanal and small scale miners around the country, there is urgent need to find workable solutions, including political and economic ones to resuscitate the mining sector that combines the expertise of large scale companies with artisanal and small scale mining. Such a combination is desirable for a mining-based economy like Zimbabwe. On its part, Government has mostly been paying lip service to restoration, capitalisation and opening of closed mines for several years. This follows closure of many gold, asbestos, chrome and diamond mines around the country. In the gold sector, artisanal and small-scale miners are currently the largest contributors of gold⁴, the largest foreign currency earner in the country, some of whom are operating at closed gold mine sites including the famous old German mining tunnels in different parts of the country.

In the above context, the Zimbabwe Environmental Law Association (ZELA) gathered information on closed mines around the country to assess the state of play at the mine site, why and when the companies were closed. The organisation also took time to assess the levels of artisanal or small-scale mining operations taking place at closed mine sites. These include mines in Mberengwa, Zvishavane, Shurugwi, Mazowe, Bindura, Chinhoyi, Mutoko, Masvingo, Mvuma, Penhalonga and Shamva areas. In the data collection process WHO guidelines on COVID-19 were observed by the ZELA staff. Key Informant interviews were conducted with artisanal and small-scale miners and diggers, large scale mining company workers, former mine workers, managers. Additional information was drawn from literature review of online data sources. Consequently, this 5th edition of the Artisanal, Small- and Large-Scale Mining (ASLM) Situational Report focuses on both closed large-medium scale mining enterprises and emerging artisanal and small-scale miners.

¹ This report was compiled by the ZELA-ASM Team comprising of *Shamiso Mtisi, Joyce Machiri, Nobuhle Mabhikwa, Joshua Machinga, Clarity Sibanda, and Paul Matshona*

² The objective of this strategic roadmap (Vision 2030) is to facilitate the exploitation processes of the country's minerals throughout their entire value chain that is from exploration, mining metallurgical processing, value addition and beneficiation. Thus, the attainment of the Vision 2030 is premised on the mining sector making huge contributions.

³ <https://www.bloomberg.com/news/articles/2019-10-14/zimbabwe-unveils-plan-for-12-billion-in-mineral-revenue-by-2023>

⁴ <https://www.rbz.co.zw/documents/mps/Monetary-Policy-Statement-17-February-2020.pdf>

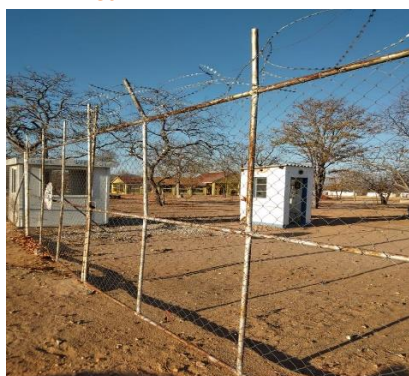
As mine visits were conducted during the COVID-19 lockdown period, it was observed that several small-scale and artisanal miners were affected by the COVID-19 pandemic lockdown. As ASM is highly labour intensive, the regulations on the novel disease called for a reduction in the number of people working on mining sites which in turn reduced production levels in these mines.

During the mine visits, it was observed that there has been an increase in the number of formalised artisanal small-scale miners into cooperatives which in turn entered into mining agreements to mine on land belonging to closed mining companies, and this is being done through tributary agreements. At some closed mine sites, illegal artisanal mining operations are taking place and in some cases such operations involve child participation in mining especially during the height of COVID-19 lockdown and the school closure period. This has negative implications on the artisanal and small-scale mining value chain. Sourcing gold from mines operated by children affects the marketing of the mineral.

It was also observed that there is a high number of closed, large scale mines around the country. Most of these mines were closed due to the poor economic and political environment obtaining in the country or purely mismanagement especially some of the state-owned ones and those under the administration of the Government appointed managers. Some of the mines are operating under judicial management or under the management of the Zimbabwe Mining Development Corporation (ZMDC). In turn artisanal miners or small-scale miners are now operating at some mines under tribute agreements entered with the mine owners. Another observation was that at some of the old mines' partnerships with artisanal and small-scale miners have been entered into to exploit gold resources, while in some cases former workers are mining illegally for gold, chrome or other minerals. The machinery and infrastructure at many of the closed mine sites is highly depreciated to be used again. Retrenched workers from these mines are now working as artisanal miners in these areas, using rudimentary mining tools and methods. This has become their main source of livelihoods or a way to augment the meagre salaries for those still employed to ensure care and maintenance work at closed mines. There are a number of unresolved conflicts and remuneration issues at many closed mining sites.

2.0 CLOSED LARGE SCALE MINES

Name	Location	Mineral	Comments
Nan Jiang Africa	Bikita	Diamonds	Nan Jiang Africa is an abandoned diamond mine located in Bikita close to Save Valley Conservancy that was set up at the height of the Marange diamond fiasco. A consortium of Chinese and Zimbabwean firms registered Nan Jiang Africa Resources Ltd. However, the mine was closed prematurely due to a dispute with Ministry of Mines and Mining Development (MoMMD) following reports that the mine had set up offices and processing facilities before submitting the application for a mining licence. The company had built structures for more than 100 workers from Bikita and Buhera. In March 2013, it was reported that, diamonds were discovered in four kimberlite pipes, in Devuli Ranch in Bikita by this consortium. Since the consortium had a prospecting licence alone, upon expiration they left without any recorded production as expected, reporting that there were no diamonds on the mine site. This misrepresentation of information calls for Government action to invest in exploration to increase information in ministry's geological database. The mine never operated since it was set in 2014.



The Nan Jiang fiasco demonstrates how companies lost money in the diamond rush in areas around Marange. A massive loss in capital was discernible- the mine invested in mining equipment, a processing plant and diamond sorting facilities. Socially, the community expressed concern over the company's failure to adequately consult them and to give them information on the nature of their operations and reasons for termination of operations. Presently, even the security guards who used to man and protect the big mining complex which houses the mine offices and diamond sorting room appears to have abandoned the site. ZELA met some of the former workers in Village 2 in Bikita who expressed disappointment with the company. Villagers in the area reported that the company had told them that they have not been getting enough quantities of diamonds for them to continue mining. For the villagers, the potential for diamond mining in the area had brought hope for employment of youths in the drought prone Budzi area in Bikita.

Mashava Mine

Masvingo

Asbestos



ZELA visited Mashava Mines located in Masvingo Province 40 kilometres from Masvingo town. Asbestos was mined in the mining area. Mashava had different mines dotted around the area including Bosmine and Lenox Mine which all used to mine asbestos, but are now mining gold, which is being done by artisanal miners. Diso mine in the area used to mine asbestos. All these asbestos mining companies are closed. There were three mines in Mashava including Gath's Mine, King Mine and Temeraine Mine which were allegedly owned by Mutumwa Mawere under the banner of Shabanie Mashava Mines (SMM) through Africa Resources Limited (ARL) before they were taken over by Government. Mawere was specified by Government on allegations of externalising \$30 billion in foreign currency. Government passed the Presidential Powers (Temporary Measures) (Reconstruction of State-Indebted Insolvent Companies) Regulations of 2004 to take over SMM under the pretence of preventing it from collapsing and saving jobs. Some former workers argue that the takeover of the mines from Mawere by Government was not proper, while others state that while Government had failed dismally to run the mine, Mawere had duped them and did not pay them their dues as he was stashing money and asbestos fibre in SA.

Interviews with current and former workers at King Mine, indicated that in 2004 Government officials held a rally at Gaths Mine Stadium where they declared that they took over the mines. The following were notable Government officials who rallied the workers and villagers at the stadium -Emmerson Mnangagwa (current President), Patrick Chinamasa (former Minister of Justice), Jonathan Moyo (Minister of Information) and others. Slowly the mines started to deteriorate—spare parts were not being replaced, vehicles breaking down and not being repaired, water levels rising, low workers moral, salaries not paid, and electricity bills started accumulating. Some workers are owed in excess of US\$40 000. Now, only 600 workers remain on unpaid

leave and 10 workers are responsible for dewatering the mine. They are being paid RTGS 1500. King Mine used to employ around 5 000 workers at its peak. King Mine is only open for pumping water out of the mine so that it does not flood. However, sometimes this is affected by electricity outages due to non-payment.

It was reported that ZMDC tried to take over King Mine to mine chrome but was not successful. Many former workers opine that Government took something it could not manage. In 2019 there were reports that King Mine would resume production in 2020 when the dewatering process and repairs on the mill were done. However, as it stands, the mine is still in a derelict state. Mountains of asbestos mine waste and dump can be observed around Mashava.

ZELA witnessed the sad reality of poverty, economic decay and lose of former glory in old mining towns. An interview with one of the former employees revealed that some former employees and dependents of late former workers lost houses and were evicted from the company houses at King Mine. As a retired person now he fears that the company might evict him one day by arguing that the period he has stayed in the house without paying rents is equivalent to his outstanding salary or arrears and therefore the salary will be set off by with his stay in the company house and will therefore be evicted.

There is an upsurge of artisanal chrome and gold mining activities around the Mashava Mines. Most of the workers on retirement, those retrenched, on forced leave or currently at work now depends on artisanal chrome mining in the King Mine concessions. Those who are still at work at King Mine for example conduct artisanal chrome mining during their off days, at weekends or after work. Some managers at King Mine are also reported to be running some chrome mining syndicates or groups while others have ventured into artisanal gold mining. The artisanal chrome miners sell chrome for US\$1 per wheelbarrow to the Chinese. In an interview with a Chrome buyer at King Mine who buys from artisanal chrome miners, he indicated that he buys 1 tonne of chrome for \$10 to sell to Chinese Smelters in Gweru who in turn buy at \$35 -\$40 per tonne. There is a lot of chrome in the area. At some point a company called GD was given permission to mine chrome near King Mine-but has since stopped.

However, the situation is distressing for many families and former workers. Houses have been abandoned while most of the infrastructure at the mine is collapsing.

The machinery at King Mine and Temeraine is highly depreciated and outdated. Gaths Mine was sold to Great Zimbabwe University and is now being run as a University in the midst of mountains of mine waste. It is not clear what measures the university has taken to ensure the safety of students against present or future mine waste or abandoned mine related hazards

that often affect closed mines. The community members in the area have no regard for COVID-19 precautionary measures. Most people do not wear face masks or observe social distancing.

Athens Mine **Mvuma** **Gold**

Athens Mine is located in Mvuma in the Midlands Province. The gold mine was closed and is under care and maintenance. The ownership of the mining claim was passed from Falcon Gold, Lonrho, to Duration Gold since the time of closure. Mvuma is now a shadow of its former high activity and status. Gold mining started in 1910 and production ceased in January 1998 due to unstable ground conditions which caused a major accident. When the mine was operating at full capacity, Job seekers came from across the country and neighbouring countries of Mozambique, Malawi and Zambia seeking employment at Athens Mine which according to some records in 1914 employed 110 Europeans and 1,500 Africans. A mine shaft collapse affected production and the low price of gold resulting in halting of operations in 1998. Residents attest that when Athens Mine was closed it was taken over by a local company, Duration Gold – headquartered in Bulawayo – working the gold ore dumps.

Closure of the mine left the mining community of Mvuma poverty stricken.⁵ Historically, more than 75 000 people living in the central region district of Chirumanzu depended on the now dilapidated town. Unemployment is high as the town does not have other sustainable forms of industrial activities employing many people. The local communities are surviving on gold panning and small-scale chrome mining. On a positive note, Duration Gold instituted a gold mining scheme for artisanal and small-scale miners to work on its gold claims as cooperatives. Interviews with artisanal miners indicated that Duration Gold started a new programme to promote formal mining by artisanal miners. The mine entered into agreements with the artisanal miners to work on the old mine pits and dumps at Athens mine. It was reported that more than 30 miners are working as cooperatives of artisanal miners in the area.

All the artisanal miners are required to enter the mine with adequate personal protective equipment, including complying with COVID-19 prevention, containment and social distancing measures inside and outside the mine site. ZELA observed that at the mine entrance elaborate security controls are in place. Security guards monitor every visitor and artisanal miners to ensure that they are logged and will be wearing masks and are sanitised. Social distancing is encouraged. In addition, billboards on COVID-19 are also visible and prominently displayed at the entrance.

Ran Mine **Bindura** **Gold**

Ran Mine is a gold mine in located in Bindura. The mine was exploited by GNP Industries, a Germany company for 103 years

⁵ <https://www.thezimbabwean.co/2010/02/deepening-poverty-grips-golden-town/>



and closed in 1999. After the closure, Exdrill Mining continued with the mining operation and employed 20 workers who then lost their jobs after the company ceased operations. The workers who were working under the former company despite being given the assurance to be employed by the successor company lost their jobs.

Currently, Aurora Gold started exploiting the mining claims through a subcontract and thereafter issued eviction notices to the Exdrill workers. Aurora's workers stay a few metres from the mining facility and that is where their homes called 'camps' have been constructed. The company is not providing residents with water. On remuneration conflicts, one interviewee noted that she was earning less than USD15 as a formal employee to Aurora, but after joining the ASM sector she is realising USD80 per week. More than 1000 artisanal and small-scale miner (ASMers) are into artisanal and small scale gold mining at Ran Mine (estimated by the interviewee). On housing conflicts with miners, there are reports that no due diligence procedures were undertaken in the blasting procedure as noted from some houses that have developed cracks. Of interest is that, during the blasting process one house collapsed and one casualty was recorded. Some families were said to be literally mining in their homesteads because the area is generally mineral rich. The miners are currently using mercury, and they are operating without PPEs. The local company is violating cultural rights and locals argue that this is one of the reasons why it has failed to realise much from its operations. Notably, the community was not consulted (no EIA process).

In the mining community, Child labour has increased since the lockdown with many children getting involved to try and earn income for their families. There are many cases of 'commercial sex work' within the residential area, though this discussion is spoken about in hushed tones. There is also involvement of the state apparatus (police) in the ASM sector that has been noted with some of them financing the illegal mining and some demanding bribes from the miners. Security guards are also milking the ASMers. These guards are demanding bribes ranging from USD1-USD5 so that the illegal miner's trespass and continue with their illegal mining activities. With the current company it is not easy to undertake ASM compared to the former one as reported by the community members. There is no regard for COVID-19 regulations, people around the mine do not wear masks or practise social distancing. There are 130 houses in the compound (2-3 rooms) accommodating two to three families.

Mazowe Gold field Mazowe Gold

The Mazowe gold field and claims are owned by Metallon Gold which was formerly owned by South African mining entrepreneur Mzi Khumalo. Along with other old gold mines in Zimbabwe, Mazowe Mine is one of the oldest gold mines with underground mining operations at the Mazowe and BSV mine sites. The mine has a total of 247 claims over 2,939 hectares of landholding. The mine was closed in September 2018 due to massive operational

challenges. The Mine had been placed under administration for a reconstruction order together with another Metallon Gold's sister mine Shamva mine. The mine is currently working with care and maintenance staff.

There is strong army and police presence at the mine. The deployment of the military was reportedly done to control illegal artisanal mining activities in the area and the number of military personnel was increased during the COVID-19 Lockdown. Following closure and stoppage of mining, Jumbo mine owned by Metallon Gold has been a theatre of illegal gold mining, violence and criminality. Some artisanal miners would come from Kwekwe and Shurugwi to control gold and underground shafts at the Mazoe mine and this resulted in deadly conflicts at the mine. Some police officials reportedly led the way in controlling syndicates at the mine.

Workers who were employed by the company still live in the company premises and are not allowed to indulge or partake in other illegal mining activities. There is a lot of mining activities in the area, anyone can mine anywhere, no questions asked and there have been incidents of farmer-miner conflicts recorded in the area. Most of the gold produced by the illegal miners is sold on the parallel markets. The COVID-19 induced lockdown saw a definite increase of children in the mining area doing minimal jobs and selling water and food to the mine workers. Since 2014 the workers were getting their salaries in instalments and these were not religiously being paid. The company which has/had over 1000 workers has been left with skeletal staff of about 150 people. The police and army officials are a common feature on site having camped there after the COVID-19 lockdown started. At the time of writing the 4:30 pm curfew was being fully implemented (before the Government's recent pronouncement that reviewed working hours to 6:30pm). The COVID-19 precautionary guidelines are being followed to the letter. People properly wear their masks while social distancing is being practised. The locals argue that the army is religious in bringing to book those who do not follow COVID-19 regulations.

Madziva Mine **Shamva** **Nickel**



Madziva mine is a nickel mine in Shamva that closed in 2001 and was owned by Bindura Nickel Corporation (BNC). The mine commenced mining in 1966. BNC owned Madziva mine and Trojan mine that both closed round the same time. BNC argues that the closure was due to declining Nickel prices and unstable ground conditions. However, some locals argue that it closed because of political reasons following the land reform programme. The former mining area is located near the Umfurudzi game park. The Madziva mining site now houses Madziva Teacher's College. The mine owners left most of the mining equipment and the former mine workers argue that anyone can buy the equipment. Closure of Madziva Mine left many workers stranded without any source of income forcing many to go into illegal artisanal gold mining activities in the

protected area of the Umfurudzi national park. The gold produced by the artisanal miners is sold on the parallel market.

Giant Mine **Chegutu** **Gold**

Giant Mine is another closed gold mine located in Chegutu district. However, Pickstone has taken over the mine and has done exploration at Giant Mine which they acquired in 2014. Currently, there are no mining operations going on at Giant mine, except mine development (shaft sinking) and several assay values being collected to ascertain the profitability of the mine. Security personnel from Black Shark security are manning the mining claims at the mine. The mine belongs to Black Ridge group under the Dallagio Investment. In 2017 Danangwe District Mining Youth Cooperative (DDMYC) operated the mine. The contract with DDMYC ended in 2019 in a court resolution following violation of the tributary agreement with Pickstone mine. There are no other operations at the mine.

Shabanie Mine **Zvishavane** **Asbestos**

Shabanie Mine was an asbestos mine located in Zvishavane, Midlands province. It used to be the biggest employer in the Midlands with over 2 000 workers. The mine was closed in 2004, due to low demand of white asbestos. In 2008 the mine was taken over by Government. The mine, under the administration rule, is currently producing 260 tonnes per month of asbestos fibre through the damp reprocessing. Before COVID-19 pandemic, the mining company was operating with a three-shift system and each shift had 64 workers and 24 management personnel to bring the total to 84 per shift. Currently, they still have the three shifts but with reduced numbers during night shift. The night shift now has 32 workers. The limited production levels are meant to cater for maintenance cost.

Alaska Mine **Chinhoyi** **Copper**



Alaska Mine is a large open pit copper mine which is 20 km from Chinhoyi town. In pre-colonial times, miners were believed to have mined about a million tonnes of ore at the mine and it was regarded as the largest of ancient workings in Zimbabwe. It was the centre of smelting and refining operations for all the Lomagundi copper mines. The first smelting was undertaken in 1956. The company used to employ 1500+ miners, although now only security personnel are on site. The discussions we had with local people indicated that there are plans for resuscitation and technological upgrades to bring in the mining giant into the 2030 mining vision, although these plans may be affected by the unstable macro-economic and political environment obtaining in the country. Alaska mine is under the management of Zimbabwe Mining Development Corporation (ZMDC) and was closed 20 years ago due to the poor economic and political environment in the country, leaving more than 1500 workers unemployed. The infrastructure at the mine is rotting and phased out. Most of the equipment is being stolen by people. However, many artisanal miners are mining in the area and these are mining copper from the mine dumps.

3.0 EXAMPLES OF ASM MINING IN THE CONTEXT OF LARGE-SCALE MINE CLOSURES

Several closed mines are now being exploited by artisanal and small-scale miners from surrounding and local mining communities and former mine workers either illegally or through tributary agreements. For example, tributary agreements were signed by cooperatives of artisanal and small-scale miners at Athens mine and Ran mine. The other mining communities are also involved in artisanal mining around the closed mines. Many ex-workers from the closed mines are now working as artisans in the sector, with King Mine in Mashava being an example where former and current mine workers are extracting chrome for sale to agents of Chinese smelting companies in Gweru. However, some of the operational mines such as Pickstone mine have fostered relationships with these artisanal and small-scale gold miners to co-exist together through use of tribute agreements.

Pickstone Mine

Pickstone mine is a gold mine located in Chegutu. The mine is supporting several artisanal mining activities that operates in their claims. The mine has a tributary agreement with Blue Streak Cooperative (BSC), which has about +/-500 ASMers operating on claims that Pickstone ceded. The Pickstone mine has a tributary agreement with BSC which is running up until 2022. The tributary agreement was approved and signed by the Ministry of Mines and Mining Development. The agreement has been in existence since 2015 (that's about five years now). Pickstone mine released four of its claims and ceded them to BSC, in a bid to ward-off tensions with the artisanal and small-scale miners. The partnership came into effect after the mining company realised that most of the artisanal miners were from the local community, and as a way of assisting the community, they decided to cede away four of its claims to the miners so that they can generate income for themselves and benefit the broader community. Pickstone mine has put in place a stand-alone fully equipped milling plant for BSC. The milling plant is just about +500m from Pickstone mining plant. The processing of BSC miners' ores is free of charge. The mine buys the gold from the BSC miners, at a favourable price in a bid to guard against gold smuggling (to the outside market) by the miners, including transportation of the BSC miners' ore to the milling plant (free of charge). In addition, Pickstone mine assist BSC with its qualified personnel like the Safety Health and Environment officer, Geologist among others to inspect and instruct their operations. The company is also dewatering the BSC miners' shafts and resuscitating Eureka gold mine and Giant gold mine. Pickstone mine is currently extending their operation by reopening closed mines that were operating under the small-scale miners' associations.

Bonza

In Shurugwi, there is a gold mining area called **Bonza**. There are milling sites and mining claims that artisanal miners exploit for gold. What shocked the ZELA team most was that the area is referred to as "kuma Grade 7", other one as "kuma Form 1". The names are said to have been given to those areas based on the age groups of girls that 'entertain' miners through commercial sex work. The girls are very young. According to the miners, the girls would provide what is called Serengeti services or sexual performances to the miners in exchange for money. As part of the crude banter in such artisanal mining sites, some of the miners were saying "Grade 7s" are now few, since most of them have graduated to Form 1s. The miners indicated that these girls belong to the miners in the area and they have romantic relationships with them such that if anyone else enters into relationships with the girls fights would erupt over the girls, unless if such relationships are done with the knowledge of the miners responsible for the girls. This shows an element of control of the girls by the miners. However, most of the girls also participate in lightweight mining operations, but mostly gold processing using mercury. A few resort to other processes in the mining value chain.

Ran Mine

In Bindura, most women have ventured into ASM. This has become an opportunity for them to improve their livelihoods and fend for their families. These women are mining at RAN mine. One interviewee noted that she was earning less than USD15 as a formal employee at a local surgery, but after joining the ASM sector she is realising USD80 per week. More than 1000 ASMs are into ASGM at Ran Mine (estimated by the interviewee).

4.0 RECOMMENDATIONS

1. Government should consider undertaking a comprehensive assessment and audit of closed mines around the country and share the results publicly
2. Government should consider through a public tender system all closed mines under the control of ZMDC or other state entities to attract responsible investors whose security of tenure should be guaranteed
3. There is need for the country to come up with a framework that facilitates co-existence between the large-scale mines and artisanal and small-scale miners. In this case the model of tribute agreements which is already included in the Mines and Minerals Act should be implemented as a way of formalising artisanal mining.
4. Government should finalise the Minerals Policy with the objective of promoting responsible investments in the sector
5. An audit or assessment of the situation at closed mines should recommend measures or programmes that can be adopted for helping former mine workers and families. These may include granting them mining rights or other social programmes.
6. Formalisation of artisanal mining should be considered a priority by government through passage of mining legislation that creates a permit system for artisanal miners or simply through the approving of tribute agreements that include mining companies or licenced small-scale miners with artisanal miners.
7. The Government or other stakeholders can institute a contract monitoring project in the ASM sector to understand the existing contractual arrangements, their effectiveness and weaknesses
8. The Ministry of Mines and Mining Development should re-introduce regular mine inspection to monitor contract performance.
9. Civil society groups that support the girl child and the youth should conduct mine visits or roll out youth and child support programmes in mining communities.
10. The large-scale miners must transfer safety skills to artisanal and small-scale miners.

Stay Safe, Stop the Spread, Save Lives

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