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**Raising the Community Voice  
in the extractive sector**



**Press Release**

## **President Mnangagwa's State of the Nation Address to parliament evade local governance reforms**

CRD is concerned that government's legislative agenda for the 10th parliament of Zimbabwe has discarded reforms in local governance. CRD anticipated President Mnangagwa to table devolution bills to fulfil the right of citizens to participate in the governance of their local affairs that are obligated by the constitution. Accentuating that the principles of good governance are achievable when power is devolved from central to lower tiers of government, the President committed to introduce the Provincial Councils Amendment bill which is the principal bill on devolution in the 1st session of the 9th parliament in 2018. Accompanying bills to ensure requisite legislation on devolution proposed by the President were the Rural District Councils Amendment Bill, the Urban Councils Amendment Bill, Regional Town and Country Planning Amendment Bill and the Traditional leaders Amendment bill. Amendments to these bills were important to provide local authorities with autonomy to democratically govern their local affairs through provincial councils that will be established under devolution. Local authorities derive their mandate from over 20 pieces of legislation and central among them is the Mines and Minerals Act. (Chapter 21:05). Thus the President also proposed to retable in Parliament the Mines and Minerals Amendment Bill and its accompanying bills such as the Precious Stones Trade Amendment Bill and the Gold Trade Amendment Bill. These amendments were intended on foreclosing gaps in the mining sector. Regressive fiscal tools in the Mines and Minerals Act and Rural District Councils Act makes it impossible for local authorities to optimize local tax revenue from extractive industries. Other huge impediments in the existing laws include exclusive issuance of mining licenses such as special mining grants and tribute agreements by the mining affairs board without involvement of local communities. At the same time royalties from mining are centralized.

During the life of the 9th parliament CRD relentlessly called for government to table these reforms for legislation because they were critical for citizens to derive quality service delivery and economic development from resources in their traditional communities. Government responded by producing ill-conceived principle bills on devolution and mining sector that parliament couldn't process. As such, the legislative agenda was lost when 9th parliament dissolved in August 2022.

CRD is aware that one of government's key strategies to enhance public service delivery under National Development Strategy 1 (NDS1) running from 2021 to 2025 was devolving and decentralising power and responsibilities to lower tiers of government. In coming out with NDS1 government was conscious that weak governance policies were a major impediment to sustainable growth in the mining sector. On that account ND1 priority during this phase was expediting of amendments to the Mines and Minerals Act, Gold Trade Act, Precious Stones Act and formulation of Rare Earth Mineral Policy. Only the Mines and Minerals bill has been proposed by President Mnangagwa for retable in parliament for the 3rd time. By deciding against tabling good governance reforms, government is violating its own laws and the will of the people for democratic participation in the governance of their natural resources. The desire by government to continue disbursing devolution grants to local authorities without any act of parliament is a continued violation of section 301 of the constitution.

In his SONA address, President Mnangagwa announced that the "mining sector grew from US\$2.8 billion in 2017 to the present US\$12 billion, and that it is "propelling socio economic development and growth." It is however disheartening to note that these economic gains are not reflecting in our communities where people are living in abject poverty and despair. In Manicaland Province where precious minerals such as diamonds, gold and lithium are being extracted, mining is dominated by opacity, environmental degradation, exclusion, smuggling and disregard for human rights. Meanwhile service delivery in both urban and rural communities has collapsed largely because tax base for local institutions is poor and unsustainable.