



1. Death of artisanal miner at DTZ OZGEO deepens conflict between company and the community in Penhalonga.

1.1 Background

The second large-scale company mining gold at Penhalonga is a partnership between the Development Trust of Zimbabwe (DTZ) and a partnership with OZGEO (Pvt) Ltd, a Harare based subsidiary of a Russian state-owned company – All Russian Economic Association on Geological Prospecting (Zarubeyhgeogica) to form DTZ-OZGEO. DTZ was set up as an initiative of the Vice President Dr. Joshua Nkomo to ensure the active participation of Zimbabweans in development projects and the management of their natural resources. The political base of DTZ-OZGEO has played a key role in the development of this company's mining projects in Penhalonga and Chimanimani in Manicaland Province which has seen the company getting a special mining grant to mine gold in the river bed a move that has been resented by many environmental experts and members of the communities alike. Their mining operations are shrouded in secrecy and there is very little involvement of the local members of the community in the mining activities a situation that President Mugabe in 2011 commented at a Chiefs meeting by allegedly saying:

“we were told that DTZ and their Russian counterparts are mining gold in Chimanimani and now its diamonds. We have not realised any real revenue coming from them and they are saying they are having difficulties. I talked to some of the directors during our December People's Conference here in Mutare and i told them that they were remaing too much in isolation and why do they don't get transparent”

CRD followed on some of these indications by undertaking a research project to examine the socio-economic and environmental impacts of gold mining in Penhalonga and in its preliminary findings, CRD identified a myriad of challenges that communities are facing at the hands of companies mining in the area including DTZ-OZGEO.

1.2 Purpose of the Report

- Narrate the death of Joseph Mutasa at the hands of DTZ-OZGEO alluvial gold mining company
- Highlights some of the preliminary findings on the ongoing research on the socio-economic and environmental impacts of gold mining in Penhalonga which has a

bearing on the death of the artisanal miner and the ongoing conflict between mining companies and artisanal miners in Penhalonga.

- This report is part of CRD's advocacy efforts to encourage critical stakeholder in the extractive sector including government to find a lasting solution to address this natural resource conflict that has become a human rights issue due to loss of lives and injuries that artisanal miners and the community continue to face in this sector.

1.3 The case of Joseph

The death of Joseph Mutasa aged 28 years of number 484 Tsvingwe High density suburb in Penhalonga has worsened the already strained relationship between DTZ OZGEO and the community of Penhalonga. According to his young brother Edwin Mutasa Joseph and his colleagues went into the mine's dumpsite area to pan for gold at 11.00am on Saturday 20 April 2013. The three were spotted by company guards and ran away but Joseph was allegedly cornered by the guards who were armed and had vicious dogs a situation that was described to him by Blessing Dumba one of the panners who escaped the onslaught as highly offensive.

On realising that Joseph was missing the family was granted permission by the police to search the area on Saturday and Sunday but failed to locate him forcing them to file a missing person report with the police in Penhalonga later on Sunday. On Monday a determined search party that included residents of Tsvingwe and friends were denied entry into the area by the police citing security reasons. However a sizeable group of about 20 people were then allowed to enter the mine dump area on Tuesday and they found Joseph's body dumped in the shallow waters of the diverted Mutare River. According to Edwin what baffles the family was the fact that Joseph's body was found in the same area where they had previously searched before but did not find him and that his severed head injuries suggested that he might have been seriously beaten to death and then dumped into the river. This view was echoed by several eye witnesses including scores of people who were at the funeral.



Picture of Joseph's body taken by eye witnesses present at the scene before the body was retrieved by the police.

According to the chairman of Penhalonga Development Trust(PCDT) Mr Makufa and Mr Chikoti of Tsvingwe Resident Association many people are risking their lives by entering into these mining area because of poverty caused by the high rate of unemployment among other issues. In the same vain the company has taken too much time to reclaim the area and suggestions by the resident association to assist in the reclamation process as a way of creating a source of livelihood for this desperate community has been turned down. Joseph leaves behind a wife and two children a 4 year old daughter and another one who is less than 6months.The family awaits police investigations and post mortem results but they are certain that Joseph was murdered. Several company guards have also been taken by the police for questioning.

2. Preliminary Findings

2.1Reclamations

Community members in both Penhalonga and Tsvingwe residential areas expressed dissatisfaction with the rehabilitation works, pointing out that the rehabilitation works were a potential hazard. One of their greatest fears was that the loose sediment posed a threat to would be “gold scavengers” following behind what is believed to have been left behind by DTZ-OZGEO.

- This fear was confirmed by the death of Joseph Mutasa. Joseph like many panners in the area are fighting running battles with the company security guards as they make efforts to try and pan for gold in the dumpsites. When asked about the need to

expeditiously rehabilitate the dumpsites the mine director Ismail Shillaev told CRD in a telephone interview yesterday that they were rehabilitating these areas and planting indigenous trees and nurseries with the help of experts but the behaviour of these panners were just uncontrollable. Members of the communities refuted these comments and maintained that the reclamation process has taken years hence those trees would have grown by now.

2.2 Selective Application of law

DTZ-OZGEO is licensed to mine to a depth of 20 metres along the river bed. Any depth beyond this would not be regarded as alluvial gold mining. The panners and small scale miners wanted to know whether there were two pieces of legislation, one applicable to them and the other to the large-scale miners such as DTZ-OZGEO. According to the Environmental Management Act no one is allowed to mine within 30 metres of a water course (and hence gold panning in rivers being illegal) but DTZ-OZGEO was allowed to extract gold not only from the river bed but also from an extensive area away from the river bed.

- This issue is central to the animosity between the community of panners and small scale miners including those that have been licenced. According to these groups EMA has fined them on several occasions for various offences including mining in the river bed but DTZ-OZGEO has been spared.
- Several small scale miners have lost their small claims to DTZ-OZGEO and they have not been compensated.
- CRD experienced the magnitude of the conflict when it met with several daring panners who were panning gold in the river bed where DTZ-OZGEO had already pegged in preparation for extensive alluvial mining

2.3 Source of livelihood

Gold production in the area is a livelihood issue and therefore very important aspect locally. People interviewed have a strong feeling that members of the community and not the company should be doing the alluvial mining.

- According to Ismail panning is unacceptable at DTZ-OZGEO and they will take all the necessary measures to enforce the law
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- According to members of the community this company took away their source of livelihood because some of its executive members are dominant political figures in Zanu PF and Zapu the reason why there is no visible empowerment model for the community worse off the company is operating with a unique license that allows it to mine where others, with restrictions, derived their livelihood.
- The community also blames the mining company of causing massive environmental damage to the community including diverting the Mutare River.

2.4 Mines and minerals Act

. The mines and minerals Act 21:05 of 1965 states that all minerals are vested in the state through the President and one would assume that ownership under such a scenario would be the citizens of Zimbabwe who therefore are supposed to be the main beneficiaries of proceeds from mining production.

- . The existing legislation on mining could be the most important reason for failure to equitably share profits from mining between the mining companies and the local communities. Relentless efforts by civil society to call for the amendments to the mining act to include communities as stakeholders has not yielded any positive results in the interim despite several promises by government to implement reforms.
- Members of the community will continue to be vulnerable as they compete on unequal terms with powerful multi-national companies with powerful political connections in the extractive sector.