

Media ownership in Zimbabwe

By Guthrie Munyuki and MISA-Zimbabwe

Context

Zimbabwe witnessed a gradual growth in privately owned print media during the 1990s. However, the enactment in 2002 of the Access to Information and Protection of Privacy Act (AIPPA), which introduced a stringent licensing regime for media houses, coupled with the country's economic meltdown, has stifled investment in the sector.

But, in spite of the economic constraints on private media (see the section on the 'Media business environment' elsewhere in this document), it is the print media licensing authority, the Media and Information Commission (MIC), that has brought about most closures of private publications in recent years. A case in point was the Weekly Times, deregistered by the MIC in February 2005 barely two months after it was launched. Such licensing decisions are likely to make anyone think twice about investing in the media industry.

Foreign ownership in media is restricted both by AIPPA and the Broadcasting Services Act (BSA), which applies to the broadcasting sector. Although the BSA allows for the licensing of private broadcasters, the licensing authority, the Broadcasting Authority of Zimbabwe (BAZ), has yet to license any radio or television stations that are not owned by the state. The restrictions on programming under BSA are such that it would be extremely difficult for anyone in the business of independent news and current affairs to broadcast in the current environment. Not that anyone in this line of business would be granted a license in the first place; BAZ is accountable to a government that is paranoid about subversion through the airwaves. This makes it unlikely that the BAZ would license anyone without the correct political credentials.

Those with such credentials have already begun to buy into those private print media that continue to operate. In October 2002, owner of the Financial Gazette, Elias Rusike, sold his controlling stake in the paper to a consortium of businessmen led by reserve bank governor Gideon Gono. Gono, a former Chair of the Zimbabwe Broadcasting Corporation, has been linked to the buy-out of another newspaper company, the Zimbabwe Mirror Group. Also implicated in the deal is the government's Central Intelligence Organisation (CIO). Meanwhile, in 2003, Africa Media Communications Holdings (AMCH) sold its stake in Africa Tribune Newspapers (ATN) to a group of journalists led by former ZANU-PF legislator Kindness Paradza.

Given this scenario, it is perhaps not surprising that a veil of secrecy surrounds the true identity of shareholders in many private media houses. Research carried out for this paper sought to get behind the veil. However, the Registrar of Companies is in a shambles, and few of the files we sought could be found. So it is still difficult to say for sure who's who in the media industry. It is ironic that an industry that is supposed to facilitate the free flow of information, and act as a watchdog on government, should be so opaque. Most easy to ascertain was the ownership structure of the Zimbabwe Newspapers, the government-controlled publisher of the Herald and Sunday Mail, which is listed on the Zimbabwe Stock Exchange.

What follows is an account, as far as could be established, of the ownership structures of Zimbabwe Newspapers (1980) Limited, Associated Newspapers of Zimbabwe (ANZ), The Independent Newspapers Group, New Ziana, the Zimbabwe Mirror Group, The Financial Gazette, Africa Tribune Newspapers, and the Zimbabwe Broadcasting Holdings. Also included are the circulation figures²² for newspapers published by the respective companies.

ZIMBABWE NEWSPAPERS (1980) LTD

Publishers of two dailies and five weeklies, "Zimpapers" also has a stake in the industrial-printing and packaging sector. The company was founded in 1980 after the government bought the majority shares from Argus Press of South Africa with a US\$ 6 million donation from the Nigerian government. Following the buy-out, the government proceeded to establish the Zimbabwe Mass Media Trust (ZMMT).

²² As provided by the Zimbabwe All Media And Products Survey (ZAMPS)

Zimpapers' core business is newspaper publishing and commercial printing. Zimpapers publishes the flagship national daily, The Herald, as well as the Sunday Mail, Chronicle, Sunday News, Kwayedza, Umthunywa, and The Manica Post. ZMMT was established to protect the public's shareholding in the newspaper stable with the Trust's major mandate being that of protecting the papers from political interference. Apparently ZMMT was dissolved in December 2001 to pave the way for another organization called Multimedia Investment Trust (MIT). The authorities are still to clarify the legal status and role of MIT.

The Zimbabwe Stock Exchange lists ZMMT and Old Mutual Life Assurance as the major shareholders in Zimpapers. The shareholding structure is as follows:

SHAREHOLDERS

Zimbabwe Mass Media Trust – 51.09%
Old Mutual Life Assurance – 23.80%
Intermarket Nominees – 3.38%
National Social Security Authority – 3.10%
Zimpapers Pension Fund – 2.28%
EFE Securities Nominees – 1.53%
Munich Reins, Co of Africa Ltd – 1.04%
Edwards Nominees Private Ltd – 11.36
NNR& FCA - 0.91%
Shara Sheperd – 0.82%
Glenhazel Investments – 0.69%

CIRCULATION

Daily Papers:-

The Herald - 45,000
The Chronicle - 20,000

Weekly Papers:-

The Sunday Mail - 60,000
The Sunday News - 18,000
Manica Post - 8,000
Kwayedza - 5,000
Umthunywa - 2,000

Competitive advantage: Zimpapers owns two printing presses in Harare and Bulawayo where they do their own printing in broadsheet.

ZIMBABWE BROADCASTING HOLDINGS (ZBH)

The Broadcasting Act of 1957 established the Rhodesia Broadcasting Corporation, which changed its name to the Zimbabwe Broadcasting Corporation at independence in 1980. The 1957 Act was in force until the enactment of the Broadcasting Services Act (BSA) in 2001. A major restructuring exercise in 2001 culminated in the Zimbabwe Broadcasting (Commercialization) Act. This split ZBC into two entities, ZBH and the state-controlled Transmedia, a signal transmission service provider. The Act was designed to enable the state broadcaster to operate on a commercial basis.

ZBH, however, continues to enjoy a monopoly in the broadcasting services industry through its radio and television stations, although a new law to regulate and open the airwaves was promulgated in 2001 – the Broadcasting Services Act.

The ZBH is wholly owned by the government and has eight Strategic Business Units (SBUs) that came into force after the launch of the so-called Vision 2030 in 2002 by former chair of the corporation, Gideon Gono.

The eight SBUs are Spot FM, Power FM, Zimbabwe Television, Sportnet, Radio Zimbabwe, National Languages, Newsnet, and Production Services.

ZBH has contracted Tansmedia, a Harare-based company, to be its signal carrier as ZBH tries to provide services to outlying areas of the country.

NEW ZIANA

The government has a 100 percent controlling stake in New Ziana Private Limited, formerly known as the Zimbabwe Inter-Africa News Agency, and the Community Newspapers Group (CNG). The government wholly owns New Ziana.

New Ziana runs a news agency and provincial newspapers that fall under the ambit of the CNG stable. It has plans to launch a television and a radio station.

AFRICA TRIBUNE NEWSPAPERS

African Tribune Newspapers (ATN) owns The Tribune - one of the four newspapers currently suspended by the Media and Information Commission - with nominal 100 shares in issue, and distributed as follows:

Kindness Paradza – 80%
Funny Percy Mushava – 5%
Stewart Gomwe – 5%
Blessing Magenga – 5%
Nevanji Madanhire – 5%

Before the Tribune was sold to ATN, businessman Mutumwa Dziva Mawere owned the paper through Africa Media Communications Holdings, a subsidiary of his Ukubambana Investments (UKI). Mawere is well connected to senior ruling ZANU-PF politicians. Paradza is a former ZANU-PF Member of Parliament, prior to which he was President of the Zimbabwean Union of Journalists. Mushava and Madanhire are journalists with no known political connections.

CIRCULATION

The registration of The Tribune has been suspended by the MIC and is not being publishing.

ASOCIATED NEWSPAPERS OF ZIMBABWE (ANZ)

ANZ are the publishers of the closed Daily News and Daily News On Sunday. ANZ has been involved in a protracted legal battle for an operating license since its closure by the MIC in September 2003.

ANZ was registered in 1998, when the founding editors Geoffrey Nyarota and Wilf Mbanga teamed up with Africa Media Investments (AMI) to launch a daily paper – The Daily News - and four provincial newspapers – The Tribune (Masvingo), The Dispatch (Bulawayo) The Express (Chitungwiza) and The Eastern Star (Mutare). The four provincial papers closed soon after their launch owing to financial problems.

Communications entrepreneur Strive Masiyiwa, the owner of Econet, one of Zimbabwe's cell phone providers, bought into ANZ in 2002 through his company Meditation Investments. Masiyiwa also has a stake in the ZIMind Publishers, the owners of the weekly Independent and Standard newspapers (see below). London-based media entrepreneur Derek Smail is behind AMI.

SHAREHOLDERS

Meditation Investments (Pvt) Ltd – 50%
Africa Media Investments – 32%
Diamond Insurance Company of Zimbabwe – 1%

The rest of the shareholding of 17% is spread among Southern Life Association, Intermarket Life Assurance, NDM Investments (Pvt) Ltd, Batanai Capital Finance (Pvt) Ltd, Dr Ali Mohamed and Judith Todd.

CIRCULATION

The registration of The Daily News and Sunday News have been suspended by the MIC and are not being published.

ZIMBABWE MIRROR NEWSPAPERS GROUP

Founded in 1997 by the Southern African Printing and Publishing House (SAPPHO), the newspaper group's shareholders are embroiled in a bitter ownership wrangle. Political Scientist Dr Ibbo Mandaza was at the helm of the group until a recent fall-out with his partners. Mandaza launched his first-ever newspaper, The Zimbabwe Mirror, in December 1997. Prior to that, SAPPHO published two regional research bulletins, the Southern African Political Series (SAPES) and the Southern African Political Economic Monthly (SAPEM).

From December 1997, Mandaza ran the Zimbabwe Mirror as a weekly, before turning it into a daily paper – The Daily Mirror – in 2001. He later conceived the idea of a publication that would reflect a Pan-Africanist and academic perspective, this culminating in the launch of the Sunday Mirror.

The current ownership structure of the Zimbabwe Mirror Newspaper Group is registered as follows:

Unique World Investments – 51%
Zistanbal – 19%
SAPPHO – 30%

It is believed that Zistanbal and Unique World Investments are linked to the CIO. Reserve bank governor, Dr Gideon Gono, also has a stake in Unique World Investments. Mandaza is on record saying that Zistanbul and Unique World Investments are linked to the secret service.

CIRCULATION

Daily Mirror print 5,000 - tabloid
Sunday Mirror print 3,000 - broadsheet

They are printed at Sovereign Publishers.

THE ZIMind PUBLISHERS

ZIMind Publishers (Pvt) Ltd, are the publishers of the Zimbabwe Independent and the Zimbabwe Standard.

Launched in the mid-1990s, ZIMind Publishers was originally owned by Mike Curling and Clive Wilson, who later sold their stake to a consortium of businessmen led by Masiyiwa – through his company Independent Media Group (IMG) - and one of the Independent's founding editors, Trevor Ncube.

IMG later sold most of its stake in the group to an investment vehicle, T S Holdings, fronted by Ncube, which is currently the majority shareholder in the Independent and The Standard. Ncube also owns one of South Africa's leading weekly newspapers, the Mail and Guardian. IMG retained a 5% shareholding in ZIMind.

The shareholding structure of ZIMind Publishers is as follows:

T S Holdings – 85%
IMG – 5%

Nominees – 10%

CIRCULATION

The Standard, circulation 35,000

The Zimbabwe Independent, circulation 30,000

Printed as tabloids at Tunatmore Printers.

THE FINANCIAL GAZETTE

Once rated as one of the best financial newspapers in southern Africa. The Financial Gazette has had a change of ownership in the past three years owing to the retirement of founding owner, Elias Rusike, from active journalism.

Rusike's Hamba Investment sold its entire stake to a group of businessmen led by former Editor-In-Chief Francis Mdlongwa, who had teamed up with Sylvester Saburi and Solomon Mtetwa. However, the consortium failed to raise enough money and Octadew, an investment company linked to Gideon Gono, snapped the stake.

Although Gono has not publicly acknowledged that he is the owner of The Financial Gazette, his Editor-In Chief, Sunsleey Chamunorwa, implied that Gono is the sole owner of the paper when he wrote to refute allegations that the CIO held shares in the company.

The real ownership of the paper is shrouded in mystery, although Gono is said to own 70% and nominees - who include lawyer Florence Ziumbe and businessman Jonathan Kadzura - hold the remaining 30 %.

CIRCULATION

Financial Gazette, circulation 26,000

Printed in tabloid at Tunatmore Printers

Conclusion

Unless stated, the political affiliations of shareholders named above cannot be easily ascertained as they are not known to hold any positions in the country's political parties, nor have they openly declared their political interests.

However, there is evidence to suggest that those within the ruling ZANU-PF party appear are consolidating a grip on the private media. This is in addition to the influence ZANU-PF exerts through the government's ownership of the countries largest newspaper group and its only broadcasting stations. If true, the involvement of the security services in the private media follows the example set by the apartheid regime in South Africa, whose security agents secretly established newspapers in South Africa and Botswana during the liberation struggle, as a way of trying to influence public opinion.

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