EUROPEAN UNION DELEGATION TO ZIMBABWE

Weekly Press Review

September 4-9, 2011

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Politics/International Relations

MDC-T top brass mock Tsvangirai The Herald, September 5, 2011

United States embassy diplomatic cables leaked by whistleblower website, *WikiLeaks* last Friday reveal that MDC-T Treasurer-general Roy Bennett and Secretary-general Tendai Biti said Prime Minister Morgan Tsvangirai is a weak political operator who "does what the last person tells him to do," and lacks strategic direction for MDC-T.

The MDC-T leader is also given to taking advice from informal advisors, usually foreign, while ignoring the counsel of elected MDC-T officials, the party's organising secretary Nelson Chamisa added.

The revelations come on the heels of a similar unflattering character assessment of the MDC-T leader by his party's Harare provincial spokesperson who is also deputy Justice Minister in the inclusive Government Obert Gutu who questioned Mr Tsvangirai's leadership credentials during a meeting he held with US ambassador to Zimbabwe Mr Charles Ray in January last year.

African leaders want Mugabe out Daily News, September 5, 2011

Leaked *WikiLeaks* cables have revealed that African diplomats accredited to Harare have called for President Robert Mugabe's "graceful" exit from power. African leaders who have in the past stood by Mugabe and defended him from the West especially on the matter of sanctions have grown impatient with the situation in Zimbabwe and are keen to see the impasse resolved. According to the whistle blower website, Algerian ambassador to Zimbabwe Lazahar Soualem met with the US ambassador Charles Ray in February last year and told him there was need for a graceful exit for the ailing 87-year-old leader because the problems in Zimbabwe could effectively affect the entire continent.

Sanctions: EU gets 2-week ultimatum

The Herald, September 6, 2011

Government has given the European Union a two-week ultimatum to furnish it with reasons for clandestinely imposing illegal sanctions on Zimbabwe or face litigation before the General Court of European Court of Justice for the annulment of the embargo.

The EU and its allies imposed sanctions on the Zanu-PF Government leadership when it implemented agrarian reforms to redress colonial land imbalances.

MDC-T, which called for the sanctions, is not targeted.

On February 15 this year, the EU unilaterally renewed sanctions on natural and legal persons and entities on the list to the Council of European Union Decision (Council Decision) in pursuant to Council Regulatory EC (Number

314/2004), which the Government now seeks to annul. In terms of Article 6 (2) of the Council Decision, the council is required to communicate its decision, including the grounds for listing, to the person or entity concerned either directly, if the address is known, or through the publication of a notice, providing such persons or entities with an opportunity to present their observations.

EU deliberates on Zim ultimatum

The Financial Gazette, September 8-14, 2011

The European Union (EU) yesterday said it was assessing a letter from the country's Attorney General AG) demanding "a statement of reasons" for slamming President Robert Mugabe and members of his inner circle with targeted sanctions.

The AG gave the EU 14 days to respond to his letter.

The EU imposed the so-called targeted sanctions on Zimbabwe in 2001, citing alleged human rights abuses and flawed electoral process by President Mugabe and Zanu PF.

Zanu PF maintains that the EU imposed the sanctions in protest over the land reform programme.

Political Violence/Elections

Violence mars Parly opening

The Herald, September 7, 2011

THE official opening of the Fourth Session of the Seventh Parliament was yesterday marred by violence as Zanu-PF and MDC-T supporters clashed. Harare provincial police spokesperson Inspector James Sabau, yesterday confirmed the incident.

Insp Sabau, however, said no reports were made and police did not arrest anyone linked to the skirmishes.

However, President Mugabe in his speech castigated violence urging Zimbabweans "to exert our energy in fostering unity, peace, development and equality of opportunity for all our people".

President Mugabe urged parliamentarians and party leaders to preach the message of national healing and reconciliation among the people.

"Let us, therefore, in unison, say NO! to violence in all its manifestations," the President said.

Zanu PF youths, activists run amok Daily News, September 7, 2011

Zanu PF youths and activists yesterday attacked MDC-T supporters in front of Parliament building while President Robert Mugabe was busy preaching peace inside the august house.

Last month, Zanu PF supporters stormed Parliament and assaulted journalists and a Member of Parliament.

Yesterday's attack took place in full view of the police who did very little to restrain the marauding supporters.

Mugabe presided over the occasion where he implored parliamentarians to preach peace in their constituencies.

"...I therefore wish to urge you as members of parliament and leaders in your own right to preach the message of national healing and reconciliation amongst our people. Let us in unison; say NO to violence in all its

manifestations."

While Mugabe was talking peace, a helpless man was struggling to pick himself up after being floored by the violent mob. The Zanu PF supporters kicked him while he lay on the ground.

Economic Issues

Over 50 mines face axe

The Herald, September 8, 2011

51 foreign-owned mining firms risk losing their licences and prosecution after failing to submit acceptable indigenisation and empowerment plans as directed by Government.

Youth Development, Indigenisation and Empowerment Minister has indicated that they have started the process of cancelling the operating licence for Zimplats after the company failed to comply with the law.

Up to 45 mining companies have either had their plans approved or have agreed on an implementation framework and will generate revised plans to achieve a 51 percent indigenous threshold.

In terms of the Indigenisation and Empowerment Act enacted in 2008, foreign-owned firms are compelled to cede for value at least 51 percent equity to locals.

Mpofu distances self from Zimplats saga NewsDay, September 8, 2011

Mines and Mining Development minister Obert Mpofu yesterday distanced himself from the cancellation of an operating licence for Zimbabwe Platinum Mine Limited (Zimplats) by Government.

Zimplats got into trouble for allegedly failing to comply with the country's indigenisation law.

On Tuesday, Youth Development, Indigenisation and Empowerment minister Saviour Kasukuwere told journalists Zimplats had failed to meet the 14-day ultimatum issued two weeks ago to comply with the indigenisation law. The law requires that all foreign-owned companies with investments exceeding \$500 000 should cede at least 51% shareholding to indigenous Zimbabweans.

Pressed to clarify who had the authority to cancel mining companies' operating licences, Mpofu said: "I will not comment on something I do not know about. I did not make the announcement. Why don't you ask the one who gave the initial announcement? I think they are better placed to clarify that."

Zimplats to submit new proposal The Herald, September 9, 2011

Zimplats has requested for more time to prepare a compliant indigenisation plan in line with the Indigenisation and Economic Empowerment Act after its initial proposal was rejected.

Zimplats and other foreign-owned companies had been given a seven-day ultimatum to present acceptable plans granting 51 percent ownership to locals or face prosecution or risk losing their operating licences. Mimosa, the

second largest platinum mine, has also reportedly requested for an extension.

Impala Platinum of Australia, the world's largest platinum producer, owns 87 percent in Zimplats and 50 percent in Mimosa.

Ministry powerless to revoke banking licences-Matutu NewsDay, September 5, 2011

Deputy Minister of Youth Development, Indigenisation and Empowerment Tongai Matutu on Wednesday told Parliament his ministry had no powers to revoke licences from banks which failed to comply with the country's indigenisation policies.

Matutu was speaking in the House of Assembly while responding to a question by Hwange East MP Tose Wesley Sansole who had asked him to explain government policy over threats made by Youth Development, Indigenisation and Empowerment minister Saviour Kasukuwere to cancel licences for foreign-owned financial institutions like Barclays and Standard Chartered banks.

Kasukuwere recently clashed with Reserve Bank governor Gideon Gono after he gave an ultimatum to foreign banks and declared Gono was not qualified to decide who gets banking licences.

Gono later described Kasukuwere's utterances as "irrational exuberance coming from someone who did not understand banking".

Old Mutual gets one-week ultimatum The Herald, September 7, 2011

Government has moved in and has given Old Mutual seven days to present an acceptable plan or risk unspecified action after it failed to fulfil the indigenisation plan it tabled last year amid revelations that the country's largest insurer's major shareholders are now opposed to the initial proposal. Under the country's empowerment laws, foreign- owned companies are required to submit plans on how they intend to achieve the 51 percent direct equity participation by locals over the next five years.

The latest development comes at a time when Government has agreed to defer cancellation of Murowa Diamonds' operating licence after the mine made a commitment on Monday to resubmit its plans within the next two weeks.

Last year, Old Mutual, one of the biggest participants on the Zimbabwe Stock Exchange with huge blocks of shares in several quoted companies, had offered to offload 27 percent shareholding to employees, 17 percent to local pension funds and 7 percent to the National Indigenisation Trust Fund.

Land and Resettlement

No to illegal land deals with white farmers, President The Herald, September 5, 2011

President Mugabe says Government will investigate reports that some land reform beneficiaries are leasing farms to displaced white former commercial farmers, saying reports suggested that some high-ranking officials were

involved.

The probe will expose the culprits whose farms will be given to those who want land.

The President condemned the belief by some Zimbabweans that nothing could succeed without the involvement of whites.

He said people should be wary of the white former commercial farmers, as they still wanted the farms back.

CFU members appeal for Government protection DailyNews, September 6, 2011

The Commercial Farmers Union (CFU) has appealed for state protection from resurgent violent attacks. CFU is a grouping of mainly white commercial farmers.

This follows the gruesome murder of a Mvurwi white tobacco farmer Colin Zietsman by two black assailants who invaded his family home in the early hours of Friday and further beat up his wife Tinka, leaving her for dead.

The CFU boss linked Zietsman's murder to continued statements by political leaders that the country was heading towards elections next year.

Another white farmer evicted DailyNews, September 6, 2011

A group of Zanu PF youths led by a senior Bulawayo provincial party member, Joseph Tayali on Friday evicted a white commercial farmer, Terraine Harvey, from her Esmnyangeni Farm in the Shangani area of Matabeleland South Province.

When the Daily News visited Esmnyangeni Farm on Monday it witnessed that Zanu PF youths had camped at the farmhouse and Harvey had been evicted.

Harvey said Tayali, who had no offer letter from the Ministry of Lands, came with a group of youths and chased them away from the farm before breaking into the farm house.

Harvey also said Tayali has been sending threatening messages on her mobile phone and she reported this to Fort Rixon Police Station several times but nothing was done.