

# Diamonds in Zimbabwe

*A Situational Analysis*

By

**L.M. Sachikonye**



Resource Insight  
Issue 1 May 2007

Resource Insight is published by the Southern Africa Resource Watch

ISSN: 1994-5604  
Key title: Resource Insight

Southern Africa Resource Watch  
12th floor Braamfontein Centre  
23 Jorissen Street  
Braamfontein, 2017  
PO Box 678, Wits 2050  
Johannesburg

Tel: 27 (0) 11 403 3414/5/6  
Fax: 27 (0) 11 403 2708  
Email: [info@osisa.org](mailto:info@osisa.org)

Senior Editor: Claude Kabemba  
Editors: Alice Kwaramba, Tawanda Mutasah, and Stuart Marr

Design and Layout: Paul Wade  
Production: DS Print Media

The opinions expressed in this Resource Insight do not necessarily reflect those of SARW/ OSISA or its Board. Authors contribute to the Resource Insight in their personal capacities.

We appreciate feedback on this publication. Write to The Senior Editor at: [claudek@osisa.org](mailto:claudek@osisa.org) or The Editor at: [alice@osisa.org](mailto:alice@osisa.org)

# Contents

<b>Acronyms</b>	<b>4</b>
<b>Introduction</b>	<b>5</b>
<b>Background to the mining sector</b>	<b>6</b>
<b>The Marange diamond rush</b>	<b>7</b>
Environmental effects	8
Benefits	9
<b>Government, corporations and other key players</b>	<b>10</b>
The Minerals Marketing Corporation of Zimbabwe	10
The Zimbabwe Mining Development Corporation	11
Security agencies	11
Trading and smuggling	13
Human rights abuses	13
Private corporations	14
<b>Emerging issues from the diamond rush</b>	<b>14</b>
<b>Post script</b>	<b>16</b>

## Acronyms

ACR	African Consolidated Resources
EPO	Exploration Prospecting Order
MMCZ	Minerals Marketing Corporation of Zimbabwe
RBZ	Reserve Bank of Zimbabwe
ZMDC	Zimbabwe Mining Development Corporation

## Marange – Zimbabwe



Diamond fields in Marange are about 100 kilometers South-West of the Eastern city of Mutare in the Manicaland Province.

## Introduction

**In October 2006, the Zimbabwean press broke news** of a diamond finding in the remote district of Marange, in the eastern province of Manicaland.<sup>1</sup> This immediately precipitated a scramble for the precious mineral by both local villagers and fortune hunters from outside the district, and indeed from outside the country. The Zimbabwe government is seeking to exert some regulation on the mining activities and on the diamond trade, but with limited success so far. Mining corporations are lining up to explore opportunities for entry into this potentially lucrative sector, while the local villagers continue to exploit opportunities, searching day and night and by all means for the new mineral, known locally as *ngoda*. There have been widespread reports about environmental degradation as a consequence of unregulated mining, and of efforts to smuggle the mineral out of Marange, and out of the country.<sup>2</sup> There have also been reports of human rights abuses, what with the tightening of entry into the diamond fields and the introduction of checkpoint searches.

This situational report attempts a preliminary analysis of the various dimensions of the Marange diamond rush. In particular, it assesses: the factors behind the scramble for the diamonds; the extent and effects of artisanal mining; the role of government in attempting to exert its authority and some order in diamond mining and trading, as well as its policing activities; the role of mining corporations; and the human rights situation in the mining area. The report also explores the benefits, if any, that have accrued to the community in Marange and to the country at large.

This report draws largely on desk research based primarily on the scrutiny of press reports. While the press archives are informative and provide a reasonably credible picture of the diamond rush, they cannot be as detailed as fieldwork, nor can the facts contained in the newspapers be easily verified. An additional source of information was therefore a resident of Marange who works in Harare, but who has some knowledge of the mining operations in the Chiadzwa area of Marange.

The next section situates this report in the larger context of Zimbabwe's mining sector.

<sup>1</sup> See *The Standard*, 29 October 2006.

<sup>2</sup> Various reports in the *Mail & Guardian*, *The Sunday Mail* and Zimbabwean newspapers.

## Background to the mining sector

**Zimbabwe's mining sector has been in the doldrums** for the past six years, with its contribution to gross domestic product declining. It was acknowledged in the 2007 Budget statement that the lack of extensive mining recapitalisation at existing mines and the lack of investment in new mining exploration programmes were major constraints to the expansion of mining operations in Zimbabwe.<sup>3</sup> Furthermore, the spiralling cost of capital items due to inflation was being exacerbated by the rising “parallel market” exchange rates at which most imported items were priced. Of direct interest to this study is the admission in the Budget statement that a serious challenge to the mining sector involves the “leakages” in mineral exports, especially gold and diamonds.<sup>4</sup> For example, gold deliveries declined by 24 percent between 2005 and 2006. More explicitly, a Reserve Bank monetary policy statement observed that this decline was attributable not only to lack of equipment, reduced exploration and mine development, but also to what it termed “illegal trading and smuggling.”<sup>5</sup>

In an attempt to stem the proliferation of small miners (or “panners” in local terminology), and the smuggling of minerals such as gold and diamonds, the Zimbabwe government in the last quarter of 2006, launched Operation *Chikorokoza Chapera/Isitsbeketsba Sesiphelile*. The operation — primarily aimed at small miners operating without licenses, and unauthorised traders in minerals such as gold and diamonds — had resulted in the arrest of over 27 000 people by March 2007. The magnitude of the smuggling problem was outlined by the Central Bank governor, Gideon Gono, in March 2007 when he estimated that the country was losing between US\$40 million and US\$50 million a week through smuggling.<sup>6</sup>

The main factor behind the upsurge in mining by panners relates to the lack of jobs in the formal sector in Zimbabwe, where unemployment is more than 70 percent, while the informal trade in gold and diamonds can partly be explained by the comparatively low prices paid by the Minerals Marketing Corporation of Zimbabwe (MMCZ) and the Reserve Bank of Zimbabwe (RBZ). Acute unemployment and low official prices are key factors in explaining the clandestine mining of, in particular, gold and diamonds, as well as the growth of the parallel market in these commodities.

---

3 2007 Budget Policy Statement, *The Herald*, 1 December 2006.

4 Ibid.

5 RBZ Monetary Policy Statement, 1 February 2007.

6 See *The Standard*, 4 March 2007.

## The Marange diamond rush

Zimbabwe's diamond mining industry is relatively new and small in scale. For example, according to official production figures, the Murowa mine owned by Rio Tinto produced 148 000 carats in the first months of 2006.<sup>7</sup> The second major producing company is the River Ranch diamond mine, which produces 80 000 tonnes of ore a month, but would only begin exporting in 2007.<sup>8</sup> The slow start was largely due to a wrangle with the Buby Minerals company over the ownership of the River Ranch mine, with the Zimbabwe High Court ruling in favour of the River Ranch company.

The diamond rush in Marange started in earnest in the second half of 2006, following the expiry of an exploration contract held by British company, Africa Consolidated Resources (ACR), in May 2006. Through its exploration, ACR had discovered deposits of industrial diamonds in the Chiadzwa area of Marange, but no official estimates exist on the size of the deposits. However, it would appear that following its expiry, the Zimbabwe government decided not to renew the ACR's exploration contract.

The MMCZ, which is the sole state buyer and marketer of minerals with the exception of gold, was granted mining rights for diamonds in Marange in June 2006. The ACR, meanwhile, sought legal action to stop the seizure of its claims by the MMCZ,<sup>9</sup> while another report suggested that the exploration claim initially belonged to Kimberlitic Searches, a subsidiary of De Beers, whose exploration contract expired in March 2006.

As such, the situation in Marange has since June 2006 fallen under the authority of the MMCZ, which appears to have had limited control over the start and subsequent proliferation of diamond mining; and the MMCZ and the RBZ have become major players in the purchasing of diamonds mined by small miners.

However, the MMCZ's authority has been weak: instead of curbing artisanal mining, it has been powerless to check its proliferation over the past 12 months. There have been claims that the authority of the MMCZ may have been deliberately undermined by local politicians:

“[A]t least three Ministers in Manicaland mobilised villagers to pan for diamonds after prospecting rights to the area expired. The diamonds were subsequently sold on the black market bypassing the MMCZ.”<sup>10</sup>

<sup>7</sup> *The Zimbabwe Independent*, 12 January 2007.

<sup>8</sup> *Ibid.*

<sup>9</sup> *The Standard*, 29 October 2006.

<sup>10</sup> “Zim diamonds lose their sparkle”, *Mail & Guardian*, 19 January 2007.

In the subsequent “free-for-all” situation in which there was neither regulation nor transparency, the ministers and other government officials may have been beneficiaries as buyers.<sup>11</sup> The situation at the Chiadzwa deposit area certainly degenerated fairly quickly between September and December 2006. An official of the ACR is quoted as saying that at the height of the diamond rush, between 6 000 and 15 000 people were involved, moving one million tonnes of earth by hand, pick and shovel in a 1.4 square mile area.<sup>12</sup> This estimate of the number of miners involved may have been on the high side; more realistic, perhaps, is a figure of 5 000, which is nevertheless still significant in a previously sparsely populated area. In mid-March 2007, it was remarked that an estimated 3 000 panners had grouped after an initial clamp-down by the authorities. Most panners are locals, but others come from the surrounding areas of Buhera, Tanganda, Chimanimani and Chipinge, and also from as far away as Beit Bridge.<sup>13</sup>

Although mining rights were transferred from the MMCZ to the Zimbabwe Mining Development Corporation (ZMDC) in November 2006, there has been no discernible order in the mining process or oversight of the mining fields. Some panners carry out mining at night and scoop the ore onto scotch-carts, which they drive away from the fields and sieve or sell to buyers.

Control over to the diamond fields remains difficult for the authorities. The police have inadequate human resources, with one report observing that “the thickly forested fields are manned by less than 50 officers, a number too little for the vast fields.”<sup>14</sup> Both local villagers and panners on the one hand, and police on the other, reportedly confirmed that they engage in “running battles”, as the former sneak into the fields at night to pan for diamonds. The ACR had procured treated poles for the 10 km radius field, but the ZMDC has not yet erected a fence around the fields, thus delaying improved security for the fields.

## **Environmental effects**

The environment in Marange is fragile and congested, and the area is very dry with few rivers of any note. Forests have been exploited in recent years, leaving most areas with diminished cover. According to the Deputy Minister of Environment and Tourism, Andrew Langa, who visited the diamond fields in mid-March 2007:

---

11 Ibid.

12 *The Zimbabwean*, 15 February 2007.

13 “Diamond panners circumvent police roadblocks”, *Manica Post*, 16 March 2007.

14 “Chaos at diamond fields”, *The Sunday Mail*, 11 March 2007.

“The environment has been ruined. If we allow panning to continue, the country cannot afford its reclamation ... What I have seen is land destruction at its worst. Who will be responsible for filling these shafts? The extent of the plunder is shocking. It is as if these people were using motorised machinery like graders, when they were using picks and shovels ... ”<sup>15</sup>

These observations appear to be confirmed by the ACR, which noted that over a million tonnes of earth had been moved. The haphazard approach to the panning bears resemblance to similar mining methods and effects in gold panning elsewhere in the country, which has caused considerable damage to land, vegetation and rivers. It is difficult to estimate the magnitude of the effects on the environment without firsthand observation, but it appears considerable in a region whose ecology is already fragile. Mine shafts are dangerous, and there have been reported accidents and at least one fatality.<sup>16</sup>

## **Benefits**

In what ways, if any, has the community in Marange benefited from the diamond rush? Levels of poverty are high in Marange, which is situated in a rainfall-poor agro-ecological region in which food crops such as maize achieve low yields. Although the community cultivates drought-resistant crops such as millet and rears some livestock, incomes are low and livelihoods are on the margin. It is in this context of deprivation that diamonds, or *ngoda*, are viewed as a major resource with quick returns. According to diamond dealers in Harare, rough diamonds on average sell at ZW\$150 000 (or US\$600 at official exchange or US\$ 10 at parallel market rate) a gramme. But a single clear diamond can fetch as much as ZW\$750 000 a gramme. These returns may be compared with the average minimum income of ZW\$90 000 a month in most sectors. However, there are great risks and penalties involved in the illegal trade of diamonds.

Overall, there has been no tangible collective benefit to the community in Marange, beyond individual earnings from the sale of the diamonds either through official channels (the MMCZ and RBZ) or informal channels provided by diamond dealers. It was only towards the end of March 2007 that a committee representing members of the Marange community, traditional authorities, and local and provincial politicians was established to consult on the diamond rush and to explore possible benefits from it.

<sup>15</sup> “Diamond panners circumvent police roadblocks”, *Manica Post*, 16 March 2007.

<sup>16</sup> “Diamond fields sealed off”, *The Herald*, 9 March 2007.

## Government, corporations and other key players

**This section examines more closely how government** and other state institutions have responded to the diamond rush. For one thing, the Marange scramble is unprecedented in scale and speed in recent Zimbabwean history. The state of preparedness on the part of government, mining parastatals and security agencies, including the police, was initially weak. Indeed, they appear to have been inactive for six months between the period of expiry of the ACR's exploration order and the assumption of control by the MMCZ and ZMDC. Even so, the latter seemed unprepared for the task at hand, as events in the diamond fields in October 2006 demonstrated. The first set of announcements in late October was that the authorities sought to send in the army and police to cordon off the diamond fields. This was ostensibly in response to the "convergence of so many people, including entire families, that had created potential health and environmental disasters as there is no running water or lavatory facilities."<sup>17</sup>

### The Minerals Marketing Corporation of Zimbabwe

There have been three key responses from the Zimbabwean authorities to the diamond find. The first was to provide a marketing facility to the diamond miners in the second half of 2006 in the form of the MMCZ. It would appear, however, that the MMCZ does not pay sufficiently attractive prices, and hence the development of an informal market in diamonds in the nearest city, Mutare (some 80 km away), and beyond. As one informal trader in diamonds explained:

"[T]he MMCZ people just do not want to admit the truth, which is that they do not have enough money and staff to handle the volume of the trade. They are always running out of money. This week they were still paying people who were put on a list a week earlier. And they did not even pay everyone on that list ..."<sup>18</sup>

Thus, although there are sellers who would like to dispose of their diamonds through official channels, the MMCZ has demonstrated that it has inadequate capacity to absorb the product, while diamonds fetch higher prices on the informal, parallel market that has emerged in the cities and towns. In addition, there have been claims that the MMCZ's operations show some inexperience in the marketing of diamonds and that there is corruption:

17 "Army to seal off diamond fields", *The Standard*, 4 November 2006.

18 Ibid.

“The MMCZ recently sold for US\$1.7 million a parcel of 36 146 carats of diamonds from Marange. The parcel contained 32 314 carats of industrial and near-gem rough stones and 3 833 carats of gem quality diamonds ... . The diamonds were sold at an average of US\$47 per carat, a value too low compared to current market trends ... .”<sup>19</sup>

These prices may be compared with the current market value for rough diamonds, which is put at US\$3 000 for 9.75 carats.<sup>20</sup> Thus, according to these claims (which are, however, difficult to verify), lack of transparency in the marketing of the diamonds sold to the MMCZ might have prejudiced the country to the tune of US\$300 million. The claims were, nevertheless, serious enough to trigger an official investigation by the government and the RBZ.

In fact, there has been a wrangle between the MMCZ and RBZ over the exportation of the Marange diamonds. The RBZ has contended that there is need for independent valuations before diamonds are sold or exported, to avoid prejudice to the country.<sup>21</sup>

### **The Zimbabwe Mining Development Corporation**

Another player in the diamond rush is the ZMDC, as mentioned above. Although it is the main parastatal charged with mining production, the ZMDC has, however, been passive. Together with the Ministry of Mines, these two institutions have not been proactive in their response to the Marange diamond scramble, and their role appears to have been overshadowed by that of the police and security agencies, which moved on to the fields in November 2006. Most press reports regarding the latter have revolved around their activities, which have included human rights abuses. The police have concentrated on three activities, namely: sealing off the diamond fields to outsiders who intend to carry out mining; setting up roadblocks/checkpoints on roads leading to the fields; and investigating the informal trade in diamonds and diamond smuggling.

### **Security agencies**

Despite a permanent police presence at the diamond fields and entry points, this did not stop the incidence of mining by small miners. Security and surveillance was therefore stepped up in early March 2007, with the police sealing off the fields: anyone wanting to visit the area in which the diamond mines are located needs police clearance.<sup>22</sup> The main explanation for the sealing off was that leakages of diamonds were continuing amid reports that top officials and politicians were abusing their offices to “loot the precious mineral.”<sup>23</sup> The

19 “US\$300 million feared lost in diamonds scam”, *Zimbabwe Independent*, 1 December 2006.

20 Ibid.

21 “RBZ, MMCZ wrangle over diamonds”, *The Standard*, 11 March 2007.

22 “Diamond fields sealed off”, *The Herald*, 9 March 2007.

23 Ibid.

objective was to make the diamond fields a “protected area”: “if protected, the fields will be fenced and sign posts erected on all roads leading to the area, notifying people that they are entering a protected where any trespasses will be prosecuted.”<sup>24</sup>

The police are also maintaining checkpoints on all routes from the fields to prevent smuggling; however, like elsewhere, the smuggling of diamonds is difficult to eradicate. As it was observed:

“diamonds are among the easiest – and by far the most valuable by weight – commodities to smuggle. Three hundred grams of diamonds are equal in value to 40 000 pounds of iron ore, but only one of those commodities can be successfully smuggled using one’s bowels. Millions of dollars worth of diamonds can be carried almost anywhere in the body or on it and they do not set off metal detectors. They can be sold quickly and they are virtually untraceable.”<sup>25</sup>

Despite the numerous police checkpoints, smuggling and corruption persist. The miners and informal traders have perfected the art of smuggling, thus limiting the effectiveness of police searches. Some ingenious methods of smuggling include, among others:

- stitching the diamonds into clothing worn by school children;
- hiding the diamonds in a camera;
- hiding the diamonds in the soles of shoes; and
- placing the diamonds in bottles of hair cream and lotions.<sup>26</sup>

One method to prevent searches has been to bribe the police at the diamond fields and at checkpoints. According to one report:

“A number of illegal diamond miners now buy their way into the diamond fields. One miner who requested anonymity, said they paid the security agents ZW\$10 000 to enter the protected area. But when they have finished they share the spoils with the officers. Every person surrenders half of what they would have managed to get so that they would be allowed in again next time ...”<sup>27</sup>

Reports of the police accepting bribes so that they can turn a blind eye to miners and smugglers have also been carried in the state media.

---

24 Ibid.

25 Campbell, Greg 2004. *Blood Diamonds*. Boulder: Westview Press.

26 “Diamond smugglers evade police dragnet”, *The Standard*, 11 February 2007.

27 “Terror in Marange”, *The Standard*, 4 March 2007.

## Trading and smuggling

Diamond smugglers are not only local informal traders but also come from outside Zimbabwe, from such countries (allegedly) as Mozambique, South Africa, Nigeria, Pakistan, South Korea, Belgium, the Democratic Republic of the Congo (DRC), China, the United Kingdom and Lebanon. The Marange diamond rush therefore has the ingredients of “a global scramble.” Of course, those caught trading and smuggling comprise only a small proportion of those who escape the net.

The major routes for smugglers appear to be: the porous Zimbabwe–Mozambique border, which is less than 100 km east of Marange; Chirundu, on the Zambian border to the north; and Beit Bridge on the South African border to the south. Harare is another conduit that has been used by smugglers, with a recent attempt resulting in the arrest of a director in a government ministry and of a Lebanese national.<sup>28</sup> In addition, reports continue to circulate of politicians involved in the diamond trade. A recent arrest was that of the son of the former director of the Zimbabwe Defence Industries.<sup>29</sup>

In summation, the police themselves appear to be vulnerable to bribery as the sums involved are many times more than their monthly salaries – and this in an environment of hyper-inflation.

## Human rights abuses

The police have been involved in the shooting and beating up of civilians in and around the diamond fields. One report observed that:

“state security agents guarding diamond fields have unleashed a reign of terror, shooting and assaulting villagers for illegal mining in the area. Their actions have prompted village heads and businesspeople to call for an independent inquiry of what they allege are human rights abuses on a daily basis.”<sup>30</sup>

It appears that the police were backed up by intelligence agents and youth militia. There have been reports of several villagers being shot on the fields and of at least one death. One newspaper even spoke of “running battles” between the police and the panners.<sup>31</sup> Clearly, there has been use of force against the panners and heavy-handed searches at checkpoints.

---

28 *The Herald*, 8 March 2007.

29 “Diamonds seized from ZDI boss’s home”, *Zimbabwe Independent*, 2 March 2007.

30 “Terror in Marange”, *The Standard*, 4 March 2007.

31 “Chaos at diamond fields”, *The Sunday Mail*, 11 March 2007.

## Private corporations

Finally, another key stakeholder in the diamond industry in Zimbabwe is private corporations which are seeking a foothold in this lucrative sector. The ACR has appealed to the courts to renew its license, but this appears unlikely. Other potential players include a South African company – African Pearl Mining (APM) – and an Israeli company – Leview LCG. The APM stated that it could invest more than US\$100 million in diamond mining projects through its local subsidiary over the next three years.<sup>32</sup> The company was also interested in venturing into diamond cutting and polishing. Similarly, Leview LCG despatched a delegation to Harare in February 2007 to explore opportunities in diamond mining and cutting.<sup>33</sup> Leview has a diamond processing company in Israel, and diamond interests in Angola and Namibia.

## Emerging issues from the diamond rush

Several key issues have emerged as the Marange diamond rush has gathered momentum. The first relates to the vacuum that has apparently existed since the expiry of the ACR exploration contract in May 2006. Vacillation on the part of state authorities has encouraged an overlapping of interests between the two state bodies, the MMCZ and the ZMDC, both of which fall under the Ministry of Mines. Procrastination over which of the two should play the leading role either as mining producer or principal buyer and marketer of the diamonds, is creating a vacuum that small miners and some politicians have taken advantage of. At the time of writing, state authorities have been using the police in an attempt to impose order on the diamond fields and on the marketing of diamonds. Limited success has, however, been achieved in this regard: since the stakes are so high, there is considerable corruption among those engaged in mining, trading and policing.

As a matter of priority, the state must decide on the ownership and control of the diamond fields: if it decides that the ZMDC should be the sole producer and not local or foreign corporations, then this should be effected as quickly as before the current free-for-all deteriorates further.

The second major issue relates to the pricing of the diamonds, the exchange rate used in purchasing them, and regulation of the diamond trade. The major shortcomings in these aspects are currently resulting in diamonds being traded more on parallel markets than through official channels. There is a large gap between what the MMCZ, and emerging syndicates and traders pay small miners for their diamonds. That the MMCZ does purchase

<sup>32</sup> “SA firms eyes Zim diamonds”, *The Herald*, 16 February 2007.

<sup>33</sup> *The Herald*, 23 February 2007.

from the miners, legitimises their operations – even if this might only be an interim measure. But while the ownership and control issues are being sorted out, the MMCZ should pay the miners realistic prices, thereby reducing the amount of diamonds falling into informal and smuggling channels.

The third key issue relates to benefits from the discovery and mining of the diamonds. There is no structure or mechanism to ensure that the local community benefits either directly or indirectly. A local member of Parliament, Chris Mushowe, stated that the proceeds from the mineral should benefit the whole country:

“The Government cannot just sit and watch bands of illegal prospectors pouring into diamond-rich areas with hopes of digging their way out of poverty, extracting the precious mineral at will. There was no environmental impact assessment done before villagers were allowed to mine and the uncontrolled extraction resulted in villagers wantonly destroying the environment ... The rush has been, to a large extent, benefiting individuals and not the country, hence, the decision to stop it. What is needed is to award a contract to a mining firm that will establish full mining operations. This will ensure that the benefits derived from the mine will benefit the whole country.”<sup>34</sup>

In addition, to the extent that the environmental damage or costs would be borne by the local community, conscious measures should be taken to ensure that real benefits accrue to it. Some traditional authorities in leadership positions have begun to make precisely this sort of demand. A committee, comprising 21 members drawn from the Marange community, traditional authorities, war veterans, war collaborators and legislators, was set up in March 2007 to examine these issues. The committee has, however, been reportedly tasked with ensuring the legal mining of diamonds through proper planning, controlling, extracting and regulating of the precious gem, against the background of the demand that a security fence be erected around the fields.<sup>35</sup> This is a major agenda for a committee – besides which, its role should not substitute that of a state institution such as the ZMDC.

Finally, there is recognition that unregulated diamond mining and trading can cause situations of deep-seated corruption, human rights abuses, crime and violence, as competition intensifies between the actors involved. According to Mushowe:

<sup>34</sup> “Committee formed to spearhead diamond mining”, *Manica Post*, 23 March 2007.

<sup>35</sup> *Ibid.*

“Illegal diamond mining can result in a culture of violence. Over the past decade, millions of civilians have lost their lives in violent conflicts in Sierra Leone, Angola and DRC. These wars were fuelled by what is known today as ‘conflict diamonds.’”<sup>36</sup>

This makes it all the more surprising that state authorities have been slow in seeking to regulate the situation in Marange.

## Post script

**In the last week of March 2007, a Zimbabwe newspaper** reported that the ACR had filed an urgent application to the Zimbabwe High Court seeking a provisional order to compel the government to return its diamond claim, which the state invalidated to pave way for the ZMDC to exploit the mineral. The ACR has also claimed that it has been prejudiced of more than US\$2 million worth of diamonds following a recent police raid on its Harare offices, and is demanding that the diamonds be returned.<sup>37</sup>

In the meantime, the United Nations Development Programme (UNDP) and the World Bank have been accused of aiding in the smuggling of diamonds out of Zimbabwe, in violation of the Kimberley Process. The Kimberley Process, to which Zimbabwe is a signatory, was set up to prevent trafficking in illegal diamonds. The UNDP has refuted these allegations, but United Nations assistant secretary-general for legal affairs, Larry Johnson, confirmed that an investigation had been launched into allegations that the UNDP and World Bank had aided River Ranch in bypassing Kimberley certification and in taking Zimbabwe diamonds out of the country, in violation of the protocol.<sup>38</sup> The Southern African Press Agency (SAPA) also reported that the Antwerp-based World Diamond Council (WDC) in its May 22 Antwerp Facets accused Zimbabwe, together with Venezuela, for failing to cooperate with the Kimberley Process in the international effort to stamp out trade in conflict diamonds. The Zimbabwe diamond situation suggests that the Kimberley certification scheme is not watertight and might need on-going adjustment. It is therefore not surprising that a review team from the Kimberley Process will travel to Zimbabwe to assess the country’s compliance with the Certification Scheme.

---

36 Ibid.

37 “British firm takes Govt to court over Marange diamond claim”, *The Zimbabwe Independent*, 30 March 2007.

38 <http://www.nysun.com/article/54766>