SUMMARY

According to the World Bank, Zimbabwe has enormous potential given its generous endowment of natural resources, an existing stock of public infrastructure, and comparatively well skilled labour force. However, realising this will require prompt action to correct fiscal policies, re-stabilize the monetary system, and resolve arrears to international lenders that would allow for a resumption of development financing. It will also require the renewal of capacity in the public sector, and investment reforms.

At this time, Zimbabwe is open for business and is set on rapidly growing its economy with mining investors being key players. Zimbabwe offers truly a once in a lifetime opportunity. The country’s 800 mines have capacity to earn US$18 billion per annum, but were only turning out about US$2 billion annually since 2009. This represents about a tenth of the sector’s full potential and translates to an incredible opportunity for investors, and the government is fully committed to create an enabling environment for investors.

MINERAL WEALTH

Zimbabwe has vast mineral wealth consisting of over 60 minerals including platinum, chrome, gold, coal, tin, copper, limestone, coal-bed methane, natural gas, granite and more. Zimbabwe has the 2nd largest platinum and chrome deposits in the world and is the 5th largest producer of lithium in the world. For the third year in a row, Zimbabwe has maintained production of 5,000 tonnes of lithium carbonate equivalent (LCE) through privately owned Bikita Minerals. Production is poised to increase further with expansions plans by Bikita Lithium and with Prospect Resources presently finalising feasibility studies ahead of development and production. Additionally, Premier African Minerals is in the process of defining its lithium resource.

LOCATION and GEOGRAPHY

Area: 390,757 km². The area of Zimbabwe is about three times the size of England and nearly as big as California or Japan. Almost whole of the country lies more than 300m above the sea level.

Language: English (official), Shona, Ndebele

Religions: Christians (75%, mainly Anglicans), no religion (15%) and balance other

Literacy: 84%
MINING BUSINESS CONFIDENCE INDEX

The 2018 MBCI was computed based on sentiments of mining executives and investors on prospects of the mining industry and the economy as it relates to new political developments. The overall 2018 MBCI was +21.9, compared to -6.6 recorded for 2017.

The new index shows that respondents are bullish about the prospects of the mining industry in 2018 given the new political dispensation, with the majority of respondents (90%) optimistic that the new Government will endeavour to resolve all legislative and policy bottlenecks affecting the mining industry.

RECENT DEVELOPMENTS and NEWS

Since the change in government foreign investment in the country has flourished, with a focus on Zimbabwe’s infrastructure, mining and resources:

5 Nov 2018 - The Zimbabwe Investment Authority (ZIA) had by June this year received 165 business applications worth more than $15.8 billion buoyed by a steady growth in the economy underpinned by various productive sectors, a Cabinet Minister has said.

4 Nov 2018 - Memorandum of Understanding between India and Zimbabwe signed to purchase diamonds. India to also deliver US$350 million line of credit for three power and water projects, in addition to the $100 million loan to the Zimbabwe Government.

11 Oct 2018 - US firm, Hondius Capital Management, signed a US$1 billion partnership with the Infrastructure Development Bank of Zimbabwe (IDBZ), with the view to bankrolling Zimbabwe’s mining and infrastructure development projects.

1 Oct 2018 - Zimbabwe's economy will grow by 6.3% this year driven mainly by agriculture and mining, the finance minister said Monday, as the government seeks to boost growth after the fall of Robert Mugabe.

11 Jun 2018 - Zimbabwe and China sign a US$1 billion Memorandum of Understanding to establish a steel plant that can produce up to 2 million tonnes of steel per annum.