# Policy Inconsistencies and Community Development:

## **Indigenisation and Economic Empowerment Act Changes and Community Share Ownership Trusts**

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#### **ABSTRACT**

Since 1980, rural communities in Zimbabwe have historically suffered poverty and underdevelopment despite being endowed with rich natural resources. The government of Zimbabwe established community share ownership trusts (CSOTs) in 2011 under the Indigenisation and Economic Empowerment Act (IEE Act) to accomplish the beneficiation of locals. Policies are important for they provide consistency and clarity. Under the Act, it was mandatory for companies operating to give back to the community. In 2017, the Second Republic indicated in the Financial Bill that indigenisation terms had been revised and companies would operate with or without CSOTs. This paper advances the argument that Zimplats Mhondoro Ngezi Chegutu Zvimba community share ownership trust (ZMNCZCSOT) has been playing a significant role in community development prior to changes in the IEE Act. After changes, intervention has been minimal, focusing mainly on previously initiated projects. Data was collected using primary and secondary sources; that is, through face to face interviews with key stakeholders and from documentary sources.

### **KEYWORDS**

citizen participation, community engagement, empowerment, natural resources, policy inconsistencies, stakeholders, sustainable development,

### INTRODUCTION

The IEE Act which emphasized the establishment of Community Share Ownership Trusts was implemented to guide against increasing poverty in resource rich communities. In order to ensure that communities benefit from resources being extracted from their areas, the policy was made mandatory to all mining companies to give back to these communities through Community Share Ownership Trusts. Policy inconsistencies can however cause detrimental effects with regards to development. Regime changes play a key role in changes in policies. Policy inconsistencies therefore result from

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changes in policies and in most cases this happens as an attempt by leaders to reform society. The paper assesses how inconsistencies with regards to the IEE Act has affected community development in Mhondoro-Ngezi. The main objectives guiding this paper were analysing projects undertaken by ZIMPLATS Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust to develop local communities before changes in the IEE Act and then assessing community development projects undertaken by ZIMPLATS Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust after changes in the IEE Act.

### **BACKGROUND**

In Zimbabwe, the colonial system which existed prior to independence in 1980 was characterized by dispossession, marginalization, and exclusion of black Zimbabweans from participation in the mainstream economy (Davies, 1978; Tevera and Moyo, 2000). Indigenous Zimbabweans, especially those living in communal areas were denied benefits from natural resources extracted from their areas and most of the rural communities in Zimbabwe have historically suffered poverty and underdevelopment despite being endowed with rich natural resources. Based on the realisation that an economy can flourish if it meets the needs of its citizens and their enterprises in a sustainable manner, post independent Southern Africa had an aspiration of having empowerment policies aimed at economic transformation and empowering the previously disadvantaged majority group. The post-Apartheid government in South Africa implemented the Black Economic Empowerment programme(BEE) in order to redress the inequalities of the Apartheid era by giving previously disadvantaged groups of South African citizens economic privileges as well as restoring opportunities to the blacks (BEE, 2010). The parliament of Zimbabwe then passed the Indigenisation and Economic Empowerment Act (Chapter 14:33) in 2007, and the Act was gazetted on March 7, 2008, and signed into law on April 17 2008 (Sokwanele, 2010).

Guided by the enabling legislation as detailed in the Indigenization and Economic Empowerment Act (IEEA), the starting point was the mining sector (Tsvakanyi, 2012). This was based on the reality that mining companies have been, for years, extracting and shipping out natural resources (minerals) without giving anything to the locals; the custodians of the resources as propounded by Kurebwa et al. (2014) who states that even though Zimbabwe is endowed with huge natural resources such as reserves of coal, uranium, gas, lithium, gold, antimony, iron, steel, and chrome and is the world's second largest platinum producer after South Africa, much of it has been exported to help develop and improve the livelihoods of foreigners leaving the indigenous people of Zimbabwe especially those living in rural areas amongst the poorest in the world. According to this Act, all mining companies were therefore to cede at least 10% ownership of their companies' produce to local communities. According to Kurebwa and Nechena (2018), economic development initiatives through indigenization and empowerment have become common practice in Africa. CSOTs have been initiated to spearhead community development in several countries.

Regardless of the abundant natural resources in Zimbabwe, rural communities living close to mines have not really benefitted henceforth most of these communities have suffered decades of poverty and underdevelopment. According to Zimstats (2008), most Zimbabwean rural families live well below the Zimbabwean poverty datum line of five hundred and eleven United States dollars hence survive with less than a dollar per day such that they are trapped in their situations with little chance of escaping. This has been a major problem in most rural communities Mhondoro-Ngezi included which has saw communities experiencing underdevelopment challenges prior to lack of health facilities, schools, clean water, and poor road networks. Poverty in rural communities has contributed to increasing levels of vulnerability and food insecurity in most districts like Mhondoro and has remained subject to natural and economic shocks among the rural communities.

The main objective of CSOTs is to readdress the socio-economic deprivation and disadvantages that were imposed against the rural communities by colonialism and racial discrimination through

broadening the economic base involving the majority indigenous Zimbabweans in the mainstream economy. In this light, (Matsa and Masimbiti, 2014) and Kurebwa et al. (2014) concur in that indigenization programs through the Community Share Ownership Trusts in Zimbabwe should therefore be viewed as a political means of correcting the colonial injustices and imbalances of the colonial past. In compliance with Zimbabwe's indigenization and empowerment law, ZIMPLATS was the first mining company in Zimbabwe to launch a Community Share Ownership Scheme in terms of the controversial Indigenisation and Economic Empowerment Act, the ZIMPLATS Mhondoro/Ngezi/Chegutu/Zvimba Community Share Ownership Trust on 13 October 2011 (Tsvakanyi, 2012). Communities have benefitted since the establishment of the Trust which therefore was the aim of this study to assess how the Trust has been operating after changes in the IEE Act.

Public policy has far reaching consequences and represents action plans taken by the government to redress problems encountered by citizens and hence if wide consultations are not done civil strife and social uprising may erupt in societies (Zhou and Zvoushe, 2012). With the Second Republic, the Finance Bill revised the terms of the IEE Act such that companies extracting minerals in communities would operate with or without CSOTS. Inconsistent national economic policies lead to macroeconomic instability, reduced human welfare, inefficient service delivery, unclear property rights and widening of the gap between the rich and poor (Mandeya, 2017). In Nigeria, over the years incompatible Government policies have transcended into unacceptable poverty levels on the majority of the country's population despite availability of abundant natural resources (Omuoha et al, 2015). The paper therefore sought to assess community development initiatives by Zimplats Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust before and after changes in the IEE ACT.

### THEORETICAL FRAMEWORK

The paper was guided by the Sustainable Livelihoods framework since it provides a way to incorporate a systemic and holistic way of describing the factors that affect the livelihoods of the poor - but also highlights the subjective understanding of being poor. The SL concept offers the prospects of a more coherent and integrated approach to poverty since it describes what development dedicated to poverty reduction should focus on to create sustainable livelihoods for the poor and henceforth three factors shed light on why the SL approach has been applied to poverty reduction. The first basic principle is that development work has to focus on people which means that we have to focus on what matters for the poor, how people and their cultures are different, and how this affects the way they understand and appreciate livelihoods. Another principle is that the poor themselves have to be key actors in identifying the important aspects of their own livelihoods. The poor know what matters to them, and outsiders have to listen to their priorities instead of assuming that their own values and ideas are as good as, or better. The SL approach states that poverty also includes other dimensions such as bad health, illiteracy, lack of social services, as well as a state of vulnerability and feelings of powerlessness in general. There are important links between different dimensions of poverty such that improvements in one has positive effects on another taking for instance raising people's educational level may have positive effects on their health standards, which in turn may improve their production capacity (Krantz, 2001). Promotion of sustainable livelihoods has been part of CSOTs mandate to make communities benefit from the natural resources being extracted from their communities.

The ANC Policy Discussion Document (2012) concurs with Bryan and Hofmann (2007) when it declares that mineral resources can be used as a basis for industrialization, job creation, poverty eradication, capacity building and community empowerment and improvement of people's lives. This has been one of the main objectives of CSOTs to enable communities to benefit from their God given resources, involve rural communities in the mainstream economy, the national economy, and reinforce the role of communities in economic development by enabling them to make decisions on their development priorities, enable rural communities to hold equity in qualifying businesses or companies (Dube, 2013). This concurs with the sustainable livelihoods approach which states that

sustainable poverty elimination will be achieved only if external support focuses on what matters to people and poor people themselves must be key actors in identifying and addressing livelihood priorities (Ashley and Carney, 1999). It is with this view of the SL framework that the paper sought to assess community development initiatives by Zimplats Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust before and after changes in the IEE ACT.

### LITERATURE REVIEW

Natural resources around many rural communities are typically their most important economic asset though they often have limited rights to use them and in most cases, powerful interests such as government and mining often claim exclusive access to these resources (Ford Foundation, 2010). Local communities are excluded from controlling the natural resources within their localities and enjoying the benefits of resource extraction hence most of these communities have been characterized by poverty. The prevailing reality where mining companies generate super profits while the communities within which they operate live in abject poverty qualifies Humphreys, Sachs and Stiglitz's (2007) postulation that the interaction between resource extraction (representing prosperity for a few) and local community livelihoods (representing poverty for many) is suggestive of societies characterized by islands of prosperity and a sea of poverty. This has been the case in resource rich countries such as Bolivia and the Niger Delta, which coincidentally rank among the most dangerously unequal societies in the world (Sawyer and Gomez, 2012).

Indigenous Zimbabweans, especially those living in communal areas were denied benefits from natural resources extracted from their areas. Most rural areas in Zimbabwe have suffered decades of poverty and underdevelopment characterized by poor health facilities, schools, roads and sanitation amongst many other challenges. Several government initiatives have been implemented in Zimbabwe to counter the effects of colonialism on rural areas but have proved to be in vain since most of these rural areas have still been left in a critical under developmental state. The need to empower the once disenfranchised Zimbabweans is what led to the crafting of the Indigenization and Economic Empowerment Act (chapter 14:33) of 2007 which specifies that at least 51% of shares of public companies and any other business shall be owned by indigenous Zimbabweans (Tsvakanyi, 2012).

The parliament of Zimbabwe passed the Indigenization and Economic Empowerment Act (IEE Act) (Chapter 14:33) in 2007 which draws from the background of economic dispossession and deprivation of Indigenous Zimbabweans by the colonial system and is based on the marginalization of blacks from all sectors of the economy by [neo]-imperialist policies of neoliberalism advocated by the IMF and the World Bank in the 1990s (Zhou and Zvoushe, 2012). The policy seeks to democratize ownership of the country 's productive assets as well as economically empower previously disadvantaged Zimbabweans by increasing their participation in the economy, thus facilitating their contribution to and benefit from the economic development of the country (Mupazviriho, 2011). Its vision is to create a new economy that is owned and controlled by indigenous Zimbabweans for their ultimate benefit, a new economy where Zimbabweans are masters of their own destiny where they participate in their own social and economic enhancement.

In Zimbabwe, the IEE Act initiated the establishment of CSOTs to manage funds released by the mining companies (Tsvakanyi, 2012). Since their inception in 2011, community share ownership schemes became the main subject of discussion on talk shows, political meetings even in parliament and as such they became very popular (Nechena and Kurebwa, 2018). CSOTs are intended mainly to allow the residents of rural district council areas, which include communal lands, to benefit from businesses that exploit the community's natural resources through the transfer of a 10 percent share stake (Sokwanele, 2010). This was based on the reality that mining companies have been, for years, extracting and shipping out natural resources (minerals) without giving anything to the locals; the custodians of the resources. It is upon the establishment of CSOTs, though not legally bound, that mining companies are expected to release certain amounts of money into the trust as seed capital to

enable CSOTs to begin to implement their development objectives (NIEEB, 2013). However, with the new dispensation, amendments were made with regards to the IEE Act. It was indicated that it is no longer mandatory for companies to give back to the communities they are operating in. This rendered the importance of Community Share Ownership Trusts less relevant yet they have been immensely contributing towards community development. The study therefore sought to assess effects of such policy changes on communities since the mandatory policy proved its relevance in contributing towards the development of communities like Mhondoro Ngezi.

### **Research Objectives**

- To analyse projects undertaken by ZIMPLATS Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust to develop local communities before changes in the IEE Act.
- To assess community development projects undertaken by ZIMPLATS Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust after changes in the IEE Act.

### **Research Questions**

- Which projects were undertaken by ZIMPLATS Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust to develop local communities before changes in the IEE Act?
- Which community development projects were undertaken by ZIMPLATS Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust after changes in the IEE Act?

### **METHODOLOGY**

Data used in this article was gathered through qualitative data collection and analytical techniques that include the content analysis of annual reports and both official and independent documentation and literature. A case study was preferred in carrying out this project since it proved to be an essential technique in examining data at depth analysis. A sample size of thirty (30) was made use of in the study. Twenty (20) Mhondoro Ngezi Rural District Council (MNRDC) ward 11 household heads, ward 11 Chief, Zimplats Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust official, three (3) MNRDC officials, two (2) ZIMPLATS project managers and three (3) NIEEB regional managers. Purposive and random sampling methods were used when carrying out the research. The article therefore thematically analysed the data from these diverse sources in a bid to assess the implications of IEE ACT changes in the operation of CSOTs towards community development with a specific focus on Zimplats Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust.

### LIMITATIONS OF THE STUDY

When conducting the study, the researcher translated the questions into the local language for community members to understand. This was done to counter problems of illiteracy encountered in most rural areas, Mhondoro Ngezi included as observed by the researcher during her internship when she once interacted with the community. The researcher looked for volunteers who were willing to provide information so as to counter problems related to poor participation when carrying out the research. Another challenge faced when conducting this research included the long distance between the researcher and the place where the research was being conducted. However, data collection was unlikely to be a challenge since the researcher worked for the parastatal which initiated the CSOTs hence interacted with these communities at one point.

### DATA VALIDITY AND RELIABILITY

Research instruments were used for the reliability and validity of the strategized questions that encompassed the content of each objective. Questionnaires were pretested and posed in a bid to reveal explanations and conflicting issues that were not important to the purpose of the study. The validity and reliability of the data to be collected was reinforced by the fact that those given questionnaires were the direct beneficiaries of the projects and programs initiated towards community development. Thus, the researcher selected heads of households in Mhondoro Rural District to ensure that the data was collected from the right sources. In-depth interviews guaranteed the validity and reliability of the data through having direct interactions with the respondents. Second hand information was gathered from journals, newspapers and the internet so as to support and consolidate information from interviews and questionnaires. Information was also obtained from annual reports given to the researcher by ZIMPLATS officials and pamphlets from NIEEB. Secondary data allowed the researcher in obtaining complimentary data at a relatively low cost since it was readily available. It served as a tool for testing validity and reliability as it confirmed, modified and at times contradicted with the researcher's findings.

### **DATA PRESENTATION AND ANALYSIS**

The researcher used tables to present and analyse data collected, making it easier for the study to make conclusions from the findings. A table is an assortment of data in rows and columns (Adedayo, 2000). The use of tables enabled the researcher to keep original data intact, providing structured information to readers which is easy to interpret. Tables were very effective in presentations since they were stripped down to focus on key findings and crisply presented (Statistical Service Centre, 2001).

### **RESULTS**

The number of projects carried out before policy changes was compared to that of projects carried out after changes in the IEE policy. These disparities were used to illustrate the effects of policy inconsistencies with regards to community development and sustainability issues. The article however only focused on policy inconsistencies as a major setback in community development but there are other factors which also affect community development. The response rate of distributed questionnaires is summarized in the table below:

### PROJECTS CARRIED OUT BY ZIMPLATS MHONDORO NGEZI CHEGUTU ZVIMBA COMMUNITY SHARE OWNERSHIP TRUST BEFORE POLICY CHANGES

The positive roles being played by ZMNCZCSOT outnumbered their negatives with 65% of the participants being of the view that the ZMNCZCSOT is contributing significantly to the community's

Table 1.

Village name	Sample size	Response rate	% Response
Village 1b	5	5	100
Village 3	5	5	100
Mulota	5	5	100
Village 5	5	5	100
Total	20	20	100

local development. The constructive role by the Trust has been mainly aimed at eradicating poverty in line with the Sustainable Livelihoods framework which states that sustainable livelihoods could serve as an integrating factor that allows policies to address development, sustainable resource management, and poverty eradication simultaneously (Krantz, 2001). Responses obtained from household heads indicated that there is a positive role being played by the Trust in the district with special reference to ward 11. They appreciated the improvements made by the Trust which have had positive effects in improving their livelihoods as well as helping them to overcome different challenges. Worth mentioning is the creation of employment at the Turf Moulding and Brick Yard Company where many have been offered jobs. As such, those who used to be fiscally challenged were able to pay fees for their children. This concurs with the view of Krantz (2001) whose findings revealed that there are important links between different dimensions of poverty such that improvements in one has positive effects on another taking for instance raising people's educational level may have positive effects on their health standards, which in turn may improve their production capacity.

35% of participants outlined that they were not benefitting from the projects and programmes carried out by the Trust. Their argument was that in most cases they were denied the opportunity to choose their own development projects. Respondents felt that members of the Trust were benefitting more from the funds channelled to the Trust's account since there was no transparency in terms of the funds received and how they were being used. With several initiatives having been introduced in ward 11 by ZMNCZCSOT, respondents claimed that they could not as yet solely say they had really benefitted considering the rate at which ZIMPLATS has been profiting from their natural resources yet their standards of living are still below average.

Contrary to what community members were saying the ZMNCZCSOT official stated that the Trust had been working towards community development as stated in its objectives. These included seeing to it that communities fully benefitted from the natural resources extracted from their areas through provision of social amenities such as schools, hospitals, health care services; development projects such as building of dams, drilling of boreholes and construction of roads as well as establishment of income generating projects for communities. Observations also shared that the Trust had positively impacted on quite a number of households in ward 11 since its inception. However, since 2018 the terms of the Indigenization Policy have shifted with special focus now aimed at achieving sustainable development. The ZMNCZCSOT official highlighted that:

During a CSOTs Business Hub held in Harare beginning 2018, the NIEEB CEO, Mr Nyamurundira encouraged CSOTs to shift from focusing on social and infrastructural development to sustainable development since the Financial Bill stated that companies could now operate with or without CSOTs. The Trust now focuses more on projects rather than solely on infrastructural development like was before (ZMNCZCSOT official).

The ZIMPLATS project manager also commented on the affirmative role being played by ZMNCZCSOT. He stressed that:

Our sustainability programme is premised on three strategic pillars, which are, economic, social and the environment and success in these key areas ensures sustainable symbiotic relationships between the organisation and its broad communities including ecosystems. We have been and are still continuously working together with ZMNCZCSOT as per the requirements of the IEE besides the Bill of Rights stating that we can now operate without the Trust, we still prioritise helping our local communities. Recruitment of staff has always been from the local communities and accordingly the majority of the staff are still from the surrounding communities.

He went on to confirm the positive role being played by ZMNCZCSOT outlining that since 2014 ZIMPLATS together with the Trust has embarked on a Local Enterprise Development programme which saw the company working with 7 Small and Medium Enterprises within the local community. Records provided by the manager showed that ZIMPLATS as the operating subsidiary has contributed

towards economic development of Zimbabwe by procuring 69% of its goods and services (excluding payments to government institutions) from local suppliers. Results obtained indicated the following projects which were carried out by ZMNCZCSOT before changes in the IEE Act.

### Infrastructure Development

Zimplats Mhondoro Ngezi Chegutu Zvimba Community Share Ownership Trust (ZMNCZCSOT) has been able to implement quite a number of projects in Mhondoro Ngezi Rural District (MNRD). Some of the most popular projects cited by respondents included the purchase of graders for road construction since road construction and maintenance is a priority need which was identified by the community, rehabilitation of schools, construction of classroom blocks at more than 30 schools, community halls, police camp, hospitals, bridges, sinking of boreholes to address access to potable water, infrastructure for income generating projects and facilities catering for the disabled people. In an interview with the then National Indigenisation and Economic Empowerment Board regional manager, he also appreciated the achievements made by ZMNCZCSOT highlighting that through close relations with ZIMPLATS, the Trust has been amongst those few CSOTS which have initiated quite a number of projects. He indicated that as part of ZIMPLATS' indigenisation implementation plan, the ZMNCZCSOT has been operational since October 2011 and has implemented projects valued at more than US\$3 million from the donation of US\$10 million deposited into the Trust bank account by ZIMPLATS.

When asked, 74% of respondents indicated the positive role played by the Trust indicating that ZMNCZCSOT constructed Turf Police station which has really helped ward 11 in as far as security issues are concerned. The Trust and its operating subsidiary constructed Turf Police Station in direct response to the communities' need for security to assist in addressing community concerns around management of trifling crimes such as housebreaking and theft. Turf 2 Primary School was also constructed by the Trust. ZMNCZCSOT and ZIMPLATS constructed a netball court that will be used for both netball and basketball in Turf ward 11 as according to the ZMNCZCSOT official. Sport development has been recognised as a successful tool in harnessing the spirit of oneness, unity and teamwork. Focus by the Trust and ZIMPLATS on sporting facilities in ward 11 has been termed a great move towards enhancing the relationship of community members and the operating subsidiary.

26% of respondents outlined that they were not benefitting from the projects and programmes carried out by the Trust. Their argument was that in most cases they were denied the opportunity to choose their own development projects. Respondents felt that members of the Trust were benefitting more from the funds channelled to the Trust's account since there was no transparency in terms of the funds received and how they were being used. With several initiatives having been introduced in ward 11 by ZMNCZCSOT, respondents claimed that they could not as yet solely say they had really benefitted considering the rate at which ZIMPLATS has been profiting from their natural resources yet their standards of living are still below average. Community members also highlighted that they insisted for quite long on the rehabilitation of Binya road which separates Mine premises and the community, but nothing was done. Respondents were of the view that the CSOT is being politicized since activities by ZIMPLATS have mainly targeted working on spotlight zones not their remote areas. An example given was that of the refurbishment of Kadoma Hospital by ZIMPLATS because it is a major referral hospital in the country yet their own clinic in ward 11 is backward. ZMNCZCSOT has therefore not as yet responded fully to the call for good health and well–being in ward 11 which is under Sustainable Development Goal (SDG) number 3.

### **Income Generating Projects**

62% of the participants highlighted that the CSOT has been focusing on implementing income generating projects to ensure continuity. This has made communities to be independent as highlighted by former Zimbabwean President Robert Mugabe who lamented the effects of denying resource-rich communities to enjoy the benefits of resource exploitation when he said because of this denial communities are bound to lose their confidence and will continue looking towards Government and the donor community for development.

### **Market Gardening**

According to the ZMNCZCSOT official, the Trust launched two market gardening projects in Mhondoro Ngezi and Chegutu in 2014 which have resulted in meaningful development for members of the community who have been able to carry out horticultural projects, while earning an income for their families. 58% of participants agreed that the market gardening project at Mhondoro Ngezi is progressing well whereas 42% indicated exclusion from participation in these projects. The project is located approximately 9km from the mine along Mungezi River in Turf Village 8 and to date it has approximately more than 310 beneficiaries. Household heads from the surrounding villagers that is village 5 and 3 said they are also benefitting indirectly as they purchase seedlings from the project. Training on land preparation, planting, fertilizer application, weeding and moisture conservation techniques, grading of produce, and value addition were conducted and as a result of the training, some of the produce is now sold on the export market (ZIMPLATS Annual Report, 2016). The project's interventions were in line with the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM-ASSET) Food Security and Nutrition Cluster and the Social Services and Poverty Eradication Cluster. This shows how the Trust has been in the leading role in as far as development interventions are concerned though issues of exclusion of some community members were noticed. It can however be concluded that not all members can be accommodated in such small projects hence some will always be disadvantaged.

### **Commercial Livestock Project**

72% of the respondents indicated that the other main project initiated by the Trust was a commercial livestock project. The commercial livestock project introduced in 2017 by ZMNCZCSOT and the operating subsidiary, ZIMPLATS, in ward 11 has really contributed in community development since it was instigated with the aim of improving the herd quality and reducing the livestock mortality rate in the area. Sustaining livestock is really a crucial aspect since just like any other community, livestock significantly contributes to the welfare of people since it also indicates the wealth status of a community. In an interview with the NIEEB regional manager he said:

In 2017 a commercial livestock project was initiated by ZMNCZCSOT with support from the company operating in Mhondoro, ZIMPLATS. 16 Bonsmara and Tuli bulls and 64 breeding bucks were handed over to the community to improve genetics in the community herds for 3 500 households.

The intervention has seen the local communities expanding their herds and improving livestock health and management henceforth moving from subsistence to commercial livestock production with the help of ZIMPLATS which has been working with other partners to facilitate market linkages. This project led to development which is defined by Shaffer (1989) as the creation of wealth – wealth meaning the things people value which increases choices, sustains positive attitudes, improves the function of institutions and enhances quality of life. ZMNCZCSOT official outlined the progress of the project indicating that the success of the project can be measured by the existence of 96 offsprings by 2018 characterised by 47 heifers and 49 bulls. He also indicated that following the success of this community intervention, ZIMPLATS invested in the national herd improvement programme based on artificial insemination of cattle with the Zimbabwe Agricultural Society as a technical partner. ZIMPLATS project manager stated that the launch of the artificial insemination project helps in creating opportunities for local communities to actively play a part in contributing to national development targets. Ward 11 Chief commented on the project:

We are looking forward to the continuous expansion of this project which is already proving to us that it has the potential to create an integrated and coherent industry, paving way for job creation. With the advice from Chief A of Gwanda CSOT, CSOTs due to the changes in laws governing them, need to now embrace the enterprise development goal by targeting certain projects. One of our targets

being this project, all we need to focus on now with the help of the Trust is constructing cattle pens capable of carrying more beasts.

### Partnering with Sable Group of Companies

In 2016, the CSOT managed to purchase a 33.3% shareholding in Sable Estates, 33,3% in Brand Agro and 50% in Fresh and Frozen. The partnership with Sable Group of companies, a top selling brand in OK and TM, which is into poultry production with three distinct sub-companies mentioned above was done to take advantage of the value chain provided by these companies. According to the ZMNCZCSOT official, farmers at the grassroot level are contracted by Brand Agro and they send their chickens to Fresh and Frozen for slaughter and distribution. Farmers are rewarded for their hard work and they get paid according to the weight of their birds. The availability of ready markets has added an advantage to farmers in the districts. In addition to dividends, the Trust also generates income from producer contracts for poultry and eggs. Surrounding communities including ward 11 participate as out growers and suppliers to the poultry company. The Chief commented on this initiative saying:

This move by the Trust has brought about tangible benefits in the communities since communities have been linked to the commercial business. Under that commercial arrangement, communities in the three districts, Mhondoro, Chegutu, Zvimba, provide 60% of the chickens to the company. There is also a honey project under the company called Rain Tree and some of our interested community members are participating in this project.

80% of respondents indicated that opportunities created by the CSOT have brought about positive bank balances to community members allowing them to venture into other projects. This echoes Tsvakanyi (2012) view that the motive behind the creation of CSOTs was to fully transform and empower rural communities and see them fully benefiting from natural resources through grassroots participation in the provision of social amenities, development projects as well as income generating projects. The dividend is also paid to the community every year.

### **Broad Based Empowerment**

Through the establishment of ZMNCZCSOT, the Trust and its qualifying business, ZIMPLATS have impacted positively in several ways to the community since they have managed to create employment opportunities. When asked about what the situation was like before the emergence of the Trust, 76% of the participants stated that only a few individuals were employed at the adjacent growth points and in Turf Town whereas more than 75% were unemployed leading to masses migrating to urban areas seeking for employment and a better life. According to Kurebwa et al (2014), empowerment policies should ensure that ownership and control of resources and factors of production is transferred into the hands of the previously marginalised indigenous people. ZMNCZCSOT as an empowerment tool has therefore managed to reduce unemployment rates in its three districts to mention ward 11 in particular where it started a brick laying company, Turf Moulding Company, for women who manufacture and sell bricks. Over the years, the cooperative comprising of women mainly widows and single mothers who are considered as the disadvantaged has been supplying bricks for the ZIMPLATS Employee Housing Scheme. With ZIMPLATS offering support to this cooperative through the provision of a ready market, this has seen the women's livelihoods improve in a big way.

Employment opportunities have been created in ward 11 considering how most women work at Turf Moulding Company whereas men and youths are employed in Bimha, Mupfuti, Rukodzi or Ngwarati Mines which entails that they can sustain themselves and their families. Findings through site visits concur with views by scholars like Dube (2013) who propounded that the indigenisation policy is an initiative meant to both politically and economically emancipate indigenous people, correcting the injustices of the colonial past in that it is centred on empowering the previously disadvantaged groups

to develop themselves. This can be evidenced by the rate at which ZIMPLATS has been employing contract workers from within the surrounding community and ward 11 has mainly benefitted since its nearer to the mines. This can be best understood from figures highlighted in the table below:

There has been an increase in the employment rate prior to the previous year with the exception of a decline in contractor workers in 2016 due to reasons not disclosed by the Company. Female employees constitute 7% of the total workforce. The above table shows that communities were benefitting from the extraction of minerals in their areas since the operating subsidiary working with ZMNCZCSOT has been gender inclusive hence putting in place gender mainstreaming merchanisms to ensure that all groups are catered for and benefit.

### **Albinism Programme**

68% of participants appreciated the albinism programme initiated in 2018 by ZMNCZSCOT and ZIMPLATS. Going forward and in line with its value of caring for the disadvantaged members of society, and promoting inclusive participation in socio–economic activity, ZMNCZCSOT together with ZIMPLATS are working on a programme to assist people living with albinism (ZIMPLATS Annual Report, 2018). People living with albinism have mainly been facing challenges of stigma and discrimination henceforth the national awareness programme "Beyond the Skin Campaign" aims towards achieving acceptance and integration of people living with albinism in all spheres of life.

ZMNCZCSOT and ZIMPLATS have been targeting an initial 500 beneficiaries who will be provided with access to various forms of sun protection and where possible, spectacles. The ZMNCZCSOT official stated that upon recognising that a healthy community clinches on uniformity and accepting that all community members have a right to be heard and participate in processes that affect their lives, ZIMPLATS launched a campaign in partnership with the Ministries of Labour and Social Welfare and Health and Child Care and a group called Friends with Albinism in support of people living with albinism. ZIMPLATS has also partnered with ZMNCZCSOT in investing in a number of community programmes to include indulging in awareness campaigns aimed at promoting wellness including awareness and management of HIV/AIDS, highlighting the benefits of a healthy diet and exercise in managing non-communicable diseases (NCDs) and advocating for malaria prevention through the use of larvicide and residual spraying.

However, with several activities being outlined to have been crucial in developing Mhondoro-Ngezi ward 11, it however raises questions whether other wards in MN have been benefitting as well. Critics by respondents brought to light the idea that ZMNCZCSOT has been more of developing Turf town at the expense of other areas. This supports the view by Mawowa (2012) that an emerging problem with CSOTs is selective development in areas where CSOTS have been established while other districts continue to wallow in poverty and experiencing minimal economic development. Any Zimbabwean residing in these areas complains of being side lined.

### PROJECTS CARRIED OUT BY ZMNCZCSOT AFTER IEE POLICY CHANGES

The researcher noted that ZMNCZCSOT has not indulged in much community development work after IEE policy changes. In most cases ZIMPLATS has merely concentrated on the existing projects

YEAR	NUMBER OF EMPLOYEES	NUMBER OF CONTRACTORS
2014	3 268	2 749
2016	5 444	2 397
2017	5 943	2 878
2018	3 262	3 231

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it implemented before rather than initiating new projects for the communities. The Trust continues to support projects initiated before IEE Act changes such as the cattle ranching project, community project on albinism and sports development programmes. However, despite sources indicating that intervention was greatly affected by the Covid-19 pandemic, policy inconsistencies with regards to the operations of CSOTs greatly contributed in the decrease in community engagement by CSOTs. Some of the activities and projects initiated by the Trust after IEE policy changes are discussed below.

### Infrastructure Development

According to the ZIMPLATS Annual Report (2019), ZIMPLATS identified a total of three areas including two schools (adjacent to ZIMPLATS' operations) that did not have suitable water reticulation facilities and required assistance and the Trust installed solar powered boreholes with water storage tanks in these three locations. Such water facilities were also established at Zimbo Junction and Tangwena schools and Tyron Village 4 (ZIMPLATS Annual Report, 2020). The CSOT constructed an X-ray building at Banket District Hospital and also donated two ambulances to Rafingora and Chivhere clinics. The 2021 Annual Report for ZIMPLATS also indicates that the CSOT managed not only to repair infrastructure at Rutara Primary School but also replaced damaged textbooks. ZIMPLATS undertook refurbishment of the milking parlour at Gwebi College with the dual objective of contributing to the provision of state of the art facilities for skills development.

### **Income Generating Projects**

In 2019, a total of 36 000 layer chicks were produced which were producing table eggs at 70% production capacity (ZIMPLATS Annual Report, 2019). 25 farmers were assisted in commercial production of red onions whereas 29 farmer groups were assisted with establishing bee keeping facilities. According to the ZIMPLATS Annual Report (2020), the activities of the ZMNCZCSOT were hampered as its main revenue generating poultry project faltered due to rising inflation and costs of inputs. The CSOT managed to engage in a number of income generating projects for communities, including establishing nurseries for horticulture market gardening and hiring of plant equipment. ZIMPLATS embarked on the establishment of three smallholder irrigation schemes in Mhondoro Ngezi and Chegutu Rural Districts (ZIMPLATS Anual Report, 2021).

### CONCLUSION

ZMNCZCSOT has really played a positive role in enhancing community development in areas surrounding mines which were once prone to extreme poverty. ZMNCZCSOT has managed to give back to the community since from its commencement to 2018 the Trust managed to implement 162 projects in several sectors to include health, education, income generating projects, infrastructure development among others. However, with the changes to the IEE Act which guided their operations with the communities, the activities by the Trust in community development have deteriorated. It can therefore be deduced from the findings that national policy inconsistencies affect the development of communities and the nation as a whole since it tends to worsen the social divide between the rich and the poor despite the fact that the country possesses an undeniably rich mineral base.

### RECOMMENDATIONS

From the research findings, the researcher recommends the adoption of mandatory policies in resource rich areas were minerals are constantly being extracted. With such policies communities can fully benefit from their minerals and sustain themselves even after the depletion of such minerals. Consistent and sustainable policies are major drivers in community development.

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