



REPORT

OF THE PORTFOLIO COMMITTEE ON YOUTH, INDIGENISATION AND
ECONOMIC EMPOWERMENT

ON THE GREEN FUEL CHISUMBANJE ETHANOL PROJECT

SECOND SESSION – EIGHTH PARLIAMENT

(S.C 1, 2015)

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On Tuesday, 17 October 2013, Mr Speaker announced that the Standing Rules and Orders Committee had nominated the following Members to serve on the Portfolio Committee on Youth, Indigenization and Economic Empowerment:

Hon. Wadyajena (Chairperson); Hon. Chikuni; Hon. Nyamupinga; Hon. Dube S.; Hon. Hungwa; Hon. Chibaya; Hon. Mathe; Hon. Masuku; Hon. Matimba; Hon. Muzhavazhi; Hon. Madanha; Hon. Zhou T.; Hon Porusingazi; Hon. Simbanegavi; Hon. Madubeko; Hon. Dziva; Hon. Chiwetu; Hon Toffa; Hon. Madondo; Hon. Pedzisai; Hon. Mhlanga; Hon. Mahlangu; Hon. Matienga; Hon. Beremauro; Hon. Chikomba; Hon. Nyahwo; Hon. Chipanga; Hon. Madzore P.; Hon. Madzore S.; Hon Kadungure; Hon. Sibanda; Hon. Chiwa

ORDERED IN TERMS OF STANDING ORDER No. 159 THAT:

- 1) At the commencement of every session, there shall be as many committees to be designated according to government portfolios as the Standing Rules and Orders Committee may deem fit.
- 2) It shall be the function of such committees to examine expenditure administration and policy of government departments and other matters falling under their jurisdictions as Parliament may, by resolution determine.
- 3) The members of such committees shall be appointed by the Standing Rules and Orders Committee, from one or both Houses of Parliament, and such appointments shall take into account the expressed interests or expertise of the Members and Senators and the political and gender composition of Parliament.

TERMS OF REFERENCE OF PORTFOLIO COMMITTEES S.O. No. 160

Subject to these Standing Orders, a portfolio committee shall-

- a) consider and deal with all Bills and Statutory Instruments or other matters which are referred to it by or under a resolution of the House or by the Speaker;
- b) consider or deal with an appropriation or money bill or any aspect of an appropriation or money bill referred to it by these Standing Orders or by or under resolution of this House;
- c) monitor, investigate, enquire into and make recommendations relating to any aspect of the legislative programme, budget, policy or any other matter it may consider relevant to the government department falling within the category of affairs assigned to it, and may for that purpose, consult and liaise with such a department; and
- d) consider or deal with all international treaties, conventions and agreements relevant to it, which are from time to time negotiated, entered into or agreed upon.

1. Introduction

1.1 In line with its oversight role as provided under Standing Order No. 160 (c), the Portfolio Committee on Youth, Indigenization and Economic Empowerment undertook an enquiry into the progress made in the implementation of the Indigenisation and Economic Empowerment Laws. The enquiry was occasioned by the Committee's desire to fulfill the objectives of the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM-ASSET) Social Services and Poverty Eradication Cluster. The ZIM-ASSET economic Blueprint states in chapter 3 that, "By coming up with the ZIMASSET, Government seeks to address on a sustainable basis, the numerous challenges affecting quality service delivery and economic growth. The plan is expected to consolidate the gains brought about by the Land Reform, Indigenisation and Economic Empowerment and Employment Creation Programmes, which have empowered the communities through Land Redistribution, Community Share Ownership Trusts and Employee Share Ownership Schemes, among others". In this regard, the Committee noted that the realization of sustainable development and social equity anchored on indigenization, empowerment and employment creation lies in compliance with and full implementation of the indigenisation and economic empowerment laws.

2.0 Objectives

2.1 In its inquiry the Committee was guided by the following objectives;

- i. To assess the levels of compliance to the Indigenisation policy by qualifying businesses;
- ii. To assess the extent to which the indigenous have benefitted from the programme;
- iii. To verify and ascertain the situation on the ground in the wake of conflicting and contradictory statements about developments in Chisumbanje; and
- iv. To proffer recommendations on the achievement of community empowerment.

3.0 Methodology

In undertaking this inquiry the Committee adopted the following methodology.

3.1 Oral Evidence Sessions

The Committee held oral evidence sessions with the management of Macdom and Green Fuel on the level of compliance with the Indigenisation policy as well as their corporate social responsibilities on community empowerment. The Committee also accepted a request for interface made by the Platform for Youth Development (PYD) to appear before the Committee on Chisumbanje Ethanol Project. The Committee also received evidence from the Chisumbanje and Chinyamukwakwa Traditional leaders as well as the Environmental Management Agency (EMA).

3.2 Written Submissions

The Committee received written submissions from PYD, Chief Garahwa, Headman Musuki Matambanadzo and Green Fuel Pvt Ltd Workers.

3.3 Fact Finding Visit

The Committee undertook a fact finding visit to the Ethanol Project in Chisumbanje on 11 July 2014 with the main aim of verifying the existence of community projects that Green Fuel claimed to have initiated for the community.

3.4 Public Hearing

The Committee conducted a public hearing at Chisumbanje Primary School on 11 July 2014 to gather the views of the community on the Ethanol Project and its impact on their livelihoods.

4.0 Background

4.1 In early 2008, Green Fuel represented by Macdom Investments, acquired the right to lease land measuring 5 112 hectares from ARDA, where it built an ethanol plant. The land has since increased to 9, 375 ha and is under sugarcane. The project was initially welcomed as it was anticipated that it would lead to the employment of people in the area and uplift the quality of life of households in Chisumbanje.

4.2 Based on the geography of the area, most of the land came from adjacent land owned by communal small holder farmers. This was to be done through progressive accrual until the fully acquisition of the proposed 45 000 ha of cane by 2020.

4.3 In the process, the company started to encroach into surrounding communal land in Chisumbanje, Chinyamukwakwa and Matikwa villages without adequate consultation with the community, as the said land was not vacant but was used by the villagers for their crop production, livestock grazing and for other cultural uses.

4.4 An Inter Ministerial Cabinet Task Force headed by the then Deputy Prime Minister, Professor A.G.O. Mutambara, was dispatched to Chisumbanje in 2012 to help solve the simmering crisis besetting the Green Fuel Ethanol Plant and the community. The Task Force made several recommendations, one of which was the need to expand the District Ethanol Project Implementation Committee (DEPIC) to include other stakeholders.

4.5 The recommendations carried in the Inter-Ministerial Cabinet Taskforce Report suggested that:

4.5.1 Land acquisitions to the project were supposed to be regularized by Chipinge Rural District Council in accordance with the Communal Lands Act (Chapter 24:04) and that Council decisions enabling this particular land acquisition be reviewed, harmonized and aligned according to the Inter-Ministerial report.

4.5.2 The company should immediately compensate and resettle the 117 households that had offer letters and were displaced from ARDA estates. The farmers and the company were to engage directly to negotiate terms for the farmers to continue to live on the estates as out growers and producers to the Ethanol Project.

4.5.3 The company should immediately compensate households that lost crops in the process of developing the Project's dams and canals in accordance with the assessments of crop damages that were carried out by the department of Agriculture Rural Extension (AREX) officials and further corroborated with information obtained directly from the affected communities.

4.5.4 There be an asset audit (i.e. land, livestock, crops, buildings, equipment and family size) for each displaced household so that compensation and resettlement is meaningful and that some of the displaced households must be accommodated as sugarcane out growers, and producers of other products and services, to the Ethanol Project.

4.5.5 The grievance that not enough local people are being employed must be addressed.

4.5.6 In order to avoid future acrimonious community relations, Government and ARDA should maintain an effective oversight of the implementation of the project and that the District Joint Implementation Committee should be broadened to include the Council Chairperson, all local chiefs, the local Member of Parliament, two councilors, two workers union representatives and four representatives of the displaced and affected households, two being from Chisumbanje and two from Chinyamukwakwa.

4.6 It was against this background that the Portfolio Committee on Youth, Indigenization and Economic Empowerment visited Chisumbanje on 11 July 2014.

5. 0 Findings

5.1 Compliance Issues – Indigenization and Economic Empowerment Act

5.1.2 The Committee gathered that, whereas the Indigenization and Economic Empowerment Act (Chapter 14:33) as read with the Indigenization and Economic Empowerment (General Regulations, 2010) stated that investment should be 49/51% in favour of local investors, and that local communities should benefit from such investment through 10% share community ownership. This is not the case in Chisumbanje where the investment has a contentious 90% stake through Macdom Investments and the government owns the remaining 10% through ARDA. ARDA has an irrevocable option to acquire up to 51% shareholding, but it is not yet clear how this is going to be achieved. It was also noted that Green Fuel was granted an ethanol blending license despite not fulfilling the 51/49% Joint Venture with government according to the spirit of S.I 17 of 2013 on Mandatory Blending.

5.2 Community Projects

5.2.1 The Committee was briefed by Green Fuel management on the Ethanol Project as well as community projects that the company claimed to have initiated for the benefit of the community. The Committee was informed that the Green Fuel was the first large-scale ethanol producing factory in Africa producing anhydrous ethanol from sugarcane. The Joint Venture partnership with the Agricultural Rural Development Authority (ARDA), saw 40 000 hectares of Chisumbanje land earmarked for the project. Currently, only 9 375ha of land is being utilized with a total production of 6 million litres of ethanol per month. The Committee heard that, at full capacity, the current plant can produce 120 million litres per annum, which translates to approximately US\$120 million.

5.2.2 Green Fuel management informed the Committee that 10% of the project land was set aside for the community as part of its corporate social responsibility scheme. To this end, the Green Fuel officials told the Committee that the company had developed 1060 ha of land for farmers in the community at a total cost of \$10.6 million. Of the above-mentioned hectareage, 660 ha was set aside for two groups of out-grower farmer; 250 ha for War Veterans, and 410 ha for “settlers”. The remaining 400 ha is under a community irrigation scheme. The company claimed to be assisting these farmers with land preparations as well as provision of inputs such as irrigation water, fertilizers etc.

5.2.3 The officials also indicated to the Committee that the company, through ‘Vimbo-hope of a better future’ was also involved in social services infrastructural rehabilitation and development at schools, clinics, roads and boreholes. The Committee was also told that Vimbo was setting up of a Technology Centre, a Sewing workshop, training workshop, bee project and indigenous tree nursery project.

5.2.4 On its guided tour of the community projects, the Committee was only shown some plots in the plantation which the officials claimed had been set aside for out-grower farmers and War Veterans but there were no beneficiaries present to support the claims. The Committee did not see the other projects which were mentioned by officials to the Committee during the briefing meeting in the morning.

5.2.5 After the tour of the “community projects”, the Committee conducted a public hearing at Chisumbanje Primary School later in the day. The super-charged public hearing was well-attended by community members, amongst them youths, women, out-grower farmers, Green Fuel workers’ representatives, War Veterans and traditional leaders. The gathering did not mince their words to the Committee. They informed the Committee that while they did not object to the project *per se*, they had burning grievances which had remained unresolved despite several government delegations that had visited the area in the past dating back to the Government of National Unity (GNU) when government set up an Inter-Ministerial Committee to look into their grievances.

5.3. Compensation

5.3.1 The community dispelled the claims by Green Fuel during the oral evidence session that it had compensated the community for land and livestock losses suffered due to the Ethanol Project. The Committee observed that the issue of non-compensation by Green Fuel to affected communities in Chisumbanje Village, Chinyamukwakwa Village and Matikwa Village became very emotive and thus captured the mood of the community regarding the Ethanol Project.

5.3.2 The Committee gathered that most villagers whose land was “swallowed” by the project have not been compensated up to this day despite undertakings by Green Fuel to do so when the project was first established. The affected villagers told the Committee that as a result of the expropriation of their land, they no longer had any source of income as their livelihood depended on small-scale farming, especially cotton.

5.3.3 The Committee heard that when the project was first established, displaced farmers were not given a chance to harvest their crops but instead they were promised compensation, which has not been forth-coming. The community pointed out that while Macdom had given them small pieces of land, measuring 0.5 ha, which are not adequate for the needs of each household and their livestock, it had not yet compensated them in monetary terms in accordance with the agreement they had made.

5.3.4 The Committee gathered that no compensation has been paid as yet to businesspersons who lost shops and grinding mills which had to make way for the project, for example, in Matikwa where ARDA had encouraged a businessman to erect a shop to service the area.

5.3.5 Members of the community are now in their sixth year without receiving any compensation. They are concerned that the company has not erected a fence between their grazing land and the small pieces of land they had been allocated for irrigation purposes, as promised.

5.4 Grievances of Out-Grower Farmers

5.4.1 The Committee noted that even those villagers who were accommodated in the Green Fuel project as out-grower farmers bemoaned the insufficient size of their plots, averaging 3 ha per family.

5.4.2 The out-grower farmers also expressed fears regarding lack of security of tenure over their allocated plots in the plantation. They said there was no clarity as to who the land belongs to. Hence they recommended that they be given permits or some form of security of tenure.

5.4.3 The out-grower farmers accused Green Fuel of exposing them to harmful toxic substances, which has taken a toll on their health. EMA provided the committee with evidence (backed by an independent expert) that Green Fuel is illegally discharging millions of litres daily of harmful and acidic effluent (vinasse) from its plant into the environment. Vinasse is very acidic due to high concentrations of potassium and sulfur among other substances. They also said the company

was releasing these toxic substances into the river system, thus affecting their livestock and the ecosystem.

5.4.4 The farmers complained about the pricing model of their sugarcane, which they described as day-light robbery. They bemoaned lack of transparency with the scheme since Macdom controls the whole process from land preparation. The absence of a weigh bridge to weigh the cane made them feel shortchanged. The Settler farmers were concerned that the current price of US\$4.00 per ton which Macdom is buying their cane at is not realistic, even after factoring in improvements and other costs. Green Fuel did not allow them to sell their sugarcane to other buyers offering better prices. The out-grower farmers told the Committee that Hippo Valley was buying sugarcane, for sugar production, at prices up to \$70 per tonne.

5.4.5 The out-grower farmers also informed the Committee that they had not been fully paid for their sugarcane by Green Fuel since 2010. Farmers have been negatively affected by the non-payment of their sugar cane. The company owes farmers US\$300 000-00 according to a valid contract they signed with the company at the rate of US\$4.00/tonne. Farmers prefer to get one-off payments instead of part payments as is currently obtaining. The reason they were given was that they owed the company \$2.4 million from contractual arrangements, a debt they did not agree with.

5.4.6 The Committee gathered that land sizes have remained stagnant since 1967 when the settler program was introduced. The farmers feel that they should be allocated more land size for sugar cane out growing as part of the process of empowering black people. They have been farming 3 hectares since 1967 and feel that cane growing needs to be done on larger pieces of land for it to be profitable.

5.5 Limited alternative Land for People Displaced by the Investment

5.5.1 The Committee noted that there is limited alternative land for the people who were displaced, as the 0.5 hectares have not been allocated to all those whose land was taken up by the investment. Some of the beneficiaries of the 0.5 ha travel long distances of between 10-15 kilometers to the allocated land. The Communal Land Act [Chapter 20:04], Section 12 requires that those who suffered dispossession or diminution of their right to occupy or use the land be provided with alternative land or be compensated. This has not been the case with the Chisumbanje community.

5.5.2 The Committee observed with concern the resettlement problem faced by Mr William Mhlanga of Chinyamukwakwa Village under Chief Garahwa, who was negatively affected by the introduction of the Chisumbanje Ethanol Plant which took the greater part of Ndooyo Communal Lands for sugar cane plantation fields. He has a family of 58 children, 600 cattle, 70 goats, 6 donkeys and 24 sheep. His homestead is about ten (10) meters away from the sugar cane plantation fields and as such, his livestock has nowhere to graze. He was ploughing 30 hectares which have been engulfed by the project and his wish is to get another piece of land anywhere in

Chipinge as he is having challenges securing pastures for the livestock. The situation has not improved in spite of appeals made on his behalf by Headman Chinyamukwakwa to the DA Chipinge and various letters from Mr Mhlanga himself to the DA.

5.5.3 The Committee gathered that those displaced by the project should be allocated at least two (02) hectares per household to grow sugar cane for sale to the project as a source of income. The community stressed that further displacements from the land they had been living on historically should be stopped forthwith as land for resettlement is no longer available.

5.5.4 Chief Garahwa informed the Committee that families are now running short of food and occasionally going hungry as they no longer cultivate the larger pieces of land that they used to. The current 0.5 ha is so inadequate that the harvest cannot satisfy the nutritional requirements of an average household. Hence, he advocated for chiefs and other traditional leaders to be allocated an additional four (04) hectares for 'zunde ramambo' to augment food security and fulfill their cultural obligations to the community.

5.5.5 The community also informed the Committee that the Ethanol Project had taken up grazing land for their animals. Livestock farmers said they had no alternative pastures to graze their cattle and as a result they were forced to sell their cattle at give-away prices. They also have not received any compensation for livestock lost due to the chemicals in the effluent water discharged from the plant which they are exposed to.

5.5.6 It emerged that due to this land challenge villagers now preferred to return to the previous status quo where they would go back to their original homesteads and continue farming on their land as before, while the ethanol plant uses ARDA's land only.

5.6 Lack of Genuine and Inclusive Consultations

5.6.1 Members of the community were also riled by lack of adequate consultation by the company of all stakeholders in the affected community. They bemoaned the lack of genuine consultations and accused the company of selective consultation which they said was done just for window-dressing purposes. The Committee noted that the designing and implementation of the land deal lacked transparency and accountability. It was further worried about the lack of a clearly shared implementation plan of the investment.

5.6.2 The Committee learnt that the community was greatly concerned about the disbandment of DEPIC which had been set up in line with recommendations of the Inter-Ministerial Cabinet Taskforce led by the then Deputy Prime Minister Professor A.G.O. Mutambara in 2012. The Committee gathered that DEPIC has been disbanded by the former Minister of Energy and Power Development, Hon Dzikamai Mavhaire, acting in cahoots with the Member of the National Assembly for Chipinge South Constituency, Hon Enock Porusingazi, and the Company, principally to safeguard and advance the interests of Green Fuel at the expense of the communities in the general area of Chisumbanje. It emerged that the community suspected that money and/or other inducements had changed hands between the trio an allegation disputed by

the former Minister in a letter he wrote to the committee. As a result, this has deprived the community of a platform through which to raise their grievances and share ideas on how best the company should serve the interests of the local community.

5.6.3 It was felt that DEPIC was better able to represent the interests of all stakeholders, and thereby help avert any potential source of conflict but that since its disbandment, relations between the company and the community had deteriorated.

5.6.4 Some of the villagers at the public hearing accused Government of siding with white capital and of having lost interest in their welfare. The company owners and management were also accused of arrogance and lack of respect to traditional leaders as well as lack of appreciation of cultural customs and values. A case in point is the alleged assault of Headman Chinyamukwakwa by a white Green Fuel senior employee.

5.7 Employment Opportunities

5.7.1 The other bone of contention regarding the Ethanol Project was the issue regarding employment opportunities for the locals. Chief Garahwa informed the Committee that, the people of Chisumbanje, which hosts the project, should be given priority when it comes to employment at the project. The community expressed disappointment at the investor for failing to employ them since most of the employees at the company, especially general-hand workers, were from other provinces at the expense of the unemployed youths in the Chisumbanje community.

5.8 Unfair Labour Practices

5.8.1 Green Fuel's labour relations are less than satisfactory as workers are not allowed to have a worker's committee and those who try are victimized and often end up losing their jobs. The responsible union, Zimbabwe Energy Workers Union (ZEWU), is not allowed to intervene on behalf of the workers. The Committee gathered during the public hearing that the workers were not affiliated to a relevant NEC, in breach of existing labour regulations and statutes. It also emerged that the company does not have a job grading structure. In addition, the workers go for months without being paid.

5.8.2 The Committee was further told that seasonal workers were made to work for long hours from 6 AM to 6 PM for a daily rate of \$2.50. Ill-treatment of workers was also cited as rampant at the company.

5.9 Unfulfilled Community Projects

5.9.1 The Community was not amused by Green Fuel's failure to fulfill promises that it made at the establishment of the project, especially those projects meant to benefit the community by alleviating poverty. Hence the community members questioned the government's sincerity on its Indigenization and Economic Empowerment Policy and its current economic blue print, ZIMASSET, which both stipulate that investors should plough back 10% equity to the communities they operate from.

5.9.2 The Committee gathered that, the company has not fulfilled the promises it made to the villagers and as a result, their quality of life has deteriorated as they are no longer earning the income they used to get from cotton prior to the coming on-board of the company. Some children have stopped attending school as the parents' source of income has been removed.

5.10 Pollution & Health Issues

5.10.1 As gathered from the community and EMA, Green Fuel has been discharging toxic effluent into Jerawachera stream, Musazvi River and eventually Save River. Livestock and aquatic deaths have been recorded due to contact with polluted water downstream. This was in contravention of the Environmental Management Act (Section 57) which stipulates that it is an offence for any person to discharge or apply poisonous or toxic, noxious or obstructing matter, radio-active waste or other pollutants into the aquatic environment.

5.10.2 In its defence, the company asserts that it carried out the Environmental Impact Assessment (EIA) report and submitted it to EMA on 22 February 2011 and that in terms of Section 100 of the Environmental Management Act (Chapter 20:27), in the event that EMA does not respond within 60 days after the submission, the EIA report shall be deemed approved. Green Fuel argues that EMA did not respond within the requisite time frame and thus the EIA was deemed to be approved.

5.10.3 Upon further investigations, the committee on 23 September 2014, heard from Environmental Management Agency (EMA). EMA verified that the ethanol plant is a prescribed project in terms of section 97 (1) of the EMA Act, and therefore should only be implemented upon granting of an EIA certificate. The committee was informed that at the onset of the project in June 2010, Green Fuel was required to do a full EIA study, but they proceeded to implement the project without, thereby contravening the law. The agency informed the committee that during a couple of inspection visits in February 2011 and September 2012, they issued Green Fuel tickets for violating the law, and issued an order to cease operations and regularise, which the company received but refused to sign and continued operating. In between these visits, on 22 June 2011, Green Fuel partially submitted an EIA document to EMA, which to date has not been processed since the company doesn't want to complete the submission procedures, among them payment of a fee. Despite receiving of tickets and instructions on what to do to safely handle effluent, Green Fuel has to date not complied but argues that it is expensive implying that they find it cheaper to continue polluting the environment and paying fines. EMA, on 24 September 2012 opened a docket for operating without and EIA. The matter is yet to be finalized after the company had got away with a \$20 fine, before EMA applied for the docket to be re-opened.

5.10.4 The Committee gathered from Mr Dhliwayo that his younger brother, Robert Chivaura, had been affected by '*dhanda*' water on his legs, which has vinasse, potash and other chemicals from the plant, as a result of which he has wounds and could no longer walk properly. The victim, Robert Chivaura, was present at the public hearing and the Committee was able to

physically witness his state and even took photographs of him. Since he was affected, he had been failing to secure money for medical treatment as the investor did not want to help him. It emerged that many other people in the village had fallen ill due to the contaminated water coming from the plant, pointing out that there is need for urgent health intervention for everyone in the village.

5.11 Inadequate Consideration of the Balance between the Investment and Food Security

5.11.1 The relationship between the investment and food security and vulnerability was not given adequate analytical attention. The community was concerned that, in the absence of a clear set of operational guidelines on investment, land use, access to market and credit, land transfers under the investment could have tremendous implications for livelihoods, food security and social justice.

5.12 Traffic Accidents

5.12.1 The Committee gathered that the community was up in arms against the company for its reckless drivers who have caused 15 fatal accidents of children in the area. Members of the community said that the company did not even have the courtesy to assist with burial costs but arrogantly referred parents of the victims to its lawyers. As a result, the community has now developed an aversion to the employment of unlicensed drivers by the company.

5.13 Preference for an Alternative Model

5.13.1 The Committee learnt that, in light of the problems currently facing the people, there is preference for a model where resettled households themselves are given inputs to grow sugar cane and sell it to a company of their choice, just like the model used by cotton companies where farmers are given seed, fertilizers and pesticides and sell the cotton to the contractors. It was felt that the envisaged model would be more effective in empowering farmers than the one Macdom was using.

5.14 Insensitivity to Local Culture and Customs

5.14.1 The community was concerned about the insensitivity and disrespect shown by the company to local culture and traditional practices, for example, when it tampered with graves and burial places during excavations.

6.0 Recommendations

6.1 In view of the above findings, the Committee recommends:

6.1.1. That the decision to disband DEPIC be immediately reversed and that the role of the former Minister of Energy and Power Development, Hon Dzikamai Mavhaire and the

Member of the National Assembly for Chipinge South Constituency, Hon Enock Porusingazi, be investigated to establish the truth of what transpired.

6.1.2. That the ARDA Board Chairman, Mr Basil Nyabadza, clarifies the issue of land ownership between ARDA, Green Fuel and the community.

6.1.3. That land sizes allotted to farmers resettled in 1967 be reviewed upwards in line with their needs.

6.1.4. That the audit on land, buildings, livestock, crops, family sizes and business enterprises lost to make way for the project be expedited to facilitate meaningful and realistic compensation before the 2015 farming season.

6.1.5. That human, animal or avian victims of ailments arising from contact with contaminated water be adequately compensated and that the company takes urgent measures to facilitate their treatment and rehabilitation.

6.1.6. That the local component in the entire investment by Macdom, Rating and Green Fuel be progressively increased in line with the Indigenization and Economic Empowerment Act (Chapter 14:33) and that a Community Share Ownership Trust for Chipinge South and Chipinge District, in general, be set up during this Second Parliament Session along the lines of the Zimunya-Marange Community Share Ownership Trust.

6.1.7. That Green Fuel fully complies with the requirements of the Environmental Impact Assessment process by December 2015, and that the penalties for non-compliance with provisions of the Environmental Management Act be immediately reviewed upwards.

6.1.8 That Green Fuel lives up to its undertaking to rehabilitate roads, schools, boreholes, clinics and animal health infrastructure, among other Corporate Social Responsibility activities.

6.1.9. That Green Fuel takes immediate, deliberate measures to reduce fatalities due to accidents caused by project vehicles around the plant, fields and access roads.

6.1.10. That Green Fuel respects the traditional leadership, as well as the norms, values and customs of the local people, including the allocation of an adequate number of hectares to each traditional leader for the 'zunde ramambo'.

6.1.11. That for any further recruitment, Green Fuel gives priority to the employment of qualifying and trainable people from the local area and adheres to standard labour practices.

7.0 Conclusion

The Indigenization and Economic Empowerment (General) Regulations, 2010 (IEE), in its enshrined Community Share Ownership Trust (CSOT) scheme, offers a lucrative 'quick gain' in line with the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM ASSET). The Committee appreciates that the ceding of 51% stake in foreign controlled entities is not an overnight fast-track task. However the 'sustainable economic empowerment and social transformation' of communities like Chisumbanje can be surely be done with immediate benchmark gains through more robust and evaluable social responsibility schemes like CSOT. It is high time government make a strong statement of intent and also review the shambolic way in which the IEE Act, especially its community empowerment objective is being implemented by entities like Green Fuel with whom it has Joint Ventures. It is sad to note that the state has not shown any urgency to bring to order the evident dis-empowered of the people of Chisumbanje, but has shown more concern to support the business side of the Ethanol Project.