

Press Statement: Al Jazeera documentary: Episode 1 of 4.

Harare, 28 March 2023. The Al Jazeera documentary: **Gold Mafia: Episode 1-The Laundry Service**, released on 23rd March 2023, exposes alleged illicit financial flows from Zimbabwe, including serious allegations of abuse of diplomatic immunity, illicit gold trading, corruption and money laundering in the mining sector. Transparency International calls on the Financial Intelligence Unit, Zimbabwe Republic Police and the Zimbabwe Anti-Corruption Commission to investigate further and cause necessary reforms to end such activities in the country.

The documentary comes after the release of the [2022 Corruption Perceptions Index](#) which revealed ongoing endemic corruption in Zimbabwe, with a score of just 23 out of 100. New scandals of grand corruption and abuses of public office continue to emerge, which damages the country in the perspective of investors and development partners. Along with the shocking findings of the documentary, these results make clear that it's time for the government to take stronger action against corruption and money laundering.

As the documentary highlights, more and more cartels work with individuals and institutions in Zimbabwe to move dirty money using anonymous trusts and shell companies in tax havens and other secretive jurisdictions. This insidious relationship facilitates organised crime and huge outflows of gold and other precious minerals. In particular, the documentary exposes incidences of alleged under invoicing and under declarations by registered gold dealers to Fidelity Printers and the Zimbabwe Revenue Authority, alleging even higher losses than previously assumed. This reduces the country's ability to build critical infrastructure and support the needs of the population or respond to urgent challenges. To combat this, the government of Zimbabwe should strengthen mutual legal assistance with other involved jurisdictions to facilitate the exchange of information. They must also ensure that such institutions have the capacity to manage mutual legal assistance requests.

It is also concerning that the documentary suggests that authorities do not complete sufficient due diligence into potential investors – including official gold traders. The revelations are a possible source of information to bust criminal networks that are actively engaging in gold smuggling and laundering money from Zimbabwe and other selected African countries. Law enforcement, anti-corruption agencies and regulatory authorities should immediately revoke gold trade and export licenses given to the implicated individuals and corporations, pending an investigation into the allegations.

Transparency International will continue to follow the remaining episodes and provide additional recommendations as relevant. //ENDS

Contact

Transparency International Zimbabwe

tiz@tizim.org

+263773004981