ZIMCODD statement on the Lifting of the Lithium Export Ban

On 27 February 2026, the Government of Zimbabwe imposed an immediate ban on the export of raw lithium and lithium concentrates. The decision moved forward from the planned January 2027 deadline and was officially justified by concerns over malpractices, under-declaration of exports and significant revenue leakages. ZIMCODD welcomed the principle of value addition however, at the time warned[1] that the abruptness of the ban, without adequate consultation or transitional provisions, risked undermining investor confidence, disrupting fiscal planning and penalising small-scale miners who are the backbone of the sector.

Now, the Government has issued a framework of conditions that mining companies must meet before the ban can be lifted. These include mandatory investment in local beneficiation and processing facilities, full disclosure of all minerals in export consignments, submission of audited financial statements (from December 2025 onwards), adherence to export quotas, improved worker welfare (decent accommodation and fair wages aligned with National Employment Council standards), establishment of Safety, Health, Environment and Quality (SHEQ) systems and a critical deadline; lithium sulphate processing plants must be operational by 1 January 2027. ZIMCODD views these conditions as a necessary and long overdue step towards cleaning up a sector historically characterised by opacity, elite capture and the quiet export of national wealth. However, conditions on paper are not the same as conditions on the ground. The true test lies in implementation, oversight and whether the benefits finally reach ordinary Zimbabweans, especially the women, youth and rural communities who live in the shadows of the mines.

A Turning Point for Zimbabwe's Lithium Sector

The new framework presents a genuine opportunity to address the structural inequalities that have defined Zimbabwe's extractive sector for decades. If enforced effectively:

- Labour standards will improve the dignity, safety and livelihoods of thousands of mine workers, particularly those in marginalised communities. Decent wages and working conditions can reduce poverty, strengthen household welfare and stimulate local economies.
- Benefaction and value addition ensures that Zimbabwe captures more value from its lithium, as the country holds Africa's largest lithium reserves, instead of exporting raw ore at rock-bottom prices while importing finished goods. This aligns with the Value Addition and Benefaction pillar of NDS2 and vision 2030.

[1] https://drive.google.com/file/d/1FVUTGJ2yhPwA6qLckLi8-ZcmPbZGo16p/view

- In terms of transparency measures, audited financial statements, export disclosures and production data will help curb the illicit financial flows that have drained billions from the fiscus. The African Development Bank has repeatedly warned that weak transparency and opaque contracts make resource-backed loans a fiscal time bomb.
- Local processing plants such as the Arcadia Technology Zimbabwe (ATZ) project, are expected to create over 1,000 jobs and generate significant export revenue, demonstrating that value addition can be a catalyst for inclusive economic transformation.

These are not small promises. If realised, they represent a genuine shift from the extractive-only model that has left mining communities impoverished while a few accumulate wealth.

The Governance Test

ZIMCODD's experience tracking public finance and extractive governance however forces us to ask the hard questions. The framework's success depends on three critical factors that have historically been weak points in Zimbabwe's policy environment:

1. Policy consistency and predictability.

A stable, transparent policy environment is essential for both investors and affected communities. The abrupt introduction of the ban brought forward by ten months without meaningful consultation heightened uncertainty across the sector. Going forward, the Government should avoid abrupt policy changes and refrain from granting discretionary or selective exemptions. Consistency builds trust and confidence while policy volatility increases corruption risks.

2. Strong, independent oversight.

Although the conditions require companies to submit audited financial statements, effective oversight depends on independent verification and enforcement. Audit quality must be subject to scrutiny and export quotas must be monitored through fraud-resistant systems that prevent manipulation and under-declaration. The mandates of ZIMRA, the Ministry of Mines and Parliament must be clearly defined, adequately resourced and insulated from political interference, with transparent reporting and consequences for non-compliance. Without credible, independent oversight, the same leakages will persist under a new regulatory label.

3. Community participation and benefit-sharing.

Mining-affected communities are too often treated as mere policy recipients rather than rights holders. Yet the current framework does not clearly set out how communities will be consulted, how they will share in the gains from processing and value addition or how environmental and social harms will be prevented, remedied and compensated. ZIMCODD maintains that any credible extractives policy must embed Free, Prior and Informed Consent (FPIC), enable community-based monitoring with access to information and guarantee direct, traceable reinvestment of mining revenues into local public services including clinics, schools, roads and water infrastructure.

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Closing the Gap between Middlemen and Protection for Small-Scale Miners

Two additional issues warrant urgent attention.

1)Intermediaries and middlemen continue to create opacity and enable rent-seeking across mineral value chains. The new framework should move beyond disclosure requirements and actively prevent unregistered intermediaries from operating in the export chain. Exports should be limited to licensed producers with verifiable production records, transparent beneficial ownership, and traceable transactions.

2)The export ban and its conditions risk entrenching inequality by placing a heavier burden on artisanal and small-scale miners (ASM). While ASM dominate gold deliveries (estimated at around 75%), their presence in lithium is smaller and their capacity to comply with capital-intensive value-addition requirements is far more limited. Large-scale operators, including well-capitalised foreign-owned mines can absorb compliance costs and invest in processing facilities. On the other hand, smaller operators may instead be pushed into informality, dependency on predatory buyers or exploitative contracting arrangements. ZIMCODD therefore calls for a differentiated approach that supports ASM formalisation, provides targeted technical assistance and access to appropriate technology and ensures that value-addition policies do not unintentionally undermine the livelihoods of small-scale miners and their families.

Our Position

The conditions attached to lifting the lithium export ban provide a concrete opportunity to move Zimbabwe's lithium sector from exporting raw minerals to advancing resource-based development. If implemented effectively, the conditions can support value addition, create decent jobs, improve revenue collection, strengthen accountability, and expand investment in public services. However, these outcomes will only be realised through consistent implementation not through policy intent alone.

ZIMCODD acknowledges the government's decision to introduce binding conditions for the sector. The priority now is to translate these requirements into a credible governance and compliance system underpinned by enforcement, transparent monitoring and meaningful community participation. Without these, the conditions risk joining a pattern of well-stated policies that are weakly implemented and deliver limited change on the ground. To support accountability and learning, ZIMCODD will track implementation against the following indicators: Publication and public accessibility of audited financial statements; consistency between export disclosures and verified production data; compliance with the 1 January 2027 processing plant deadline, including clear consequences for missed targets; and evidence of measurable improvements in the living standards of mining-affected communities.

Recommendations

To translate the lithium export conditions into lasting social and economic justice outcomes, ZIMCODD calls on Government to:

1. Establish an independent, multi-stakeholder oversight committee (including civil society, mining communities and Parliament) to monitor compliance with all conditions and publish quarterly public reports.
2. Publish audited financial statements, production data and export earnings in a public, accessible format beyond submission to regulators since transparency is the foundation of accountability.
3. Eliminate unregistered intermediaries from the lithium export chain by restricting exports to licensed mining companies with transparent beneficial ownership.
4. Adopt a community benefit and revenue reinvestment framework, including a ring-fenced community development fund, to channel a defined share of lithium revenues into local infrastructure, health and education with community oversight.
5. Provide targeted support to artisanal and small-scale miners (ASM) to formalise, access technical assistance and participate in value chains without being pushed out by large-scale capital.
6. Enforce consequences for non-compliance. Where companies fail to meet the 1 January 2027 processing plant deadline or repeatedly under-declare exports, the export ban should remain in place and penalties should be applied.