

# Shadows and Shell Games

Uncovering an Offshore Business Empire in Zimbabwe

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THE SENTRY

## SUMMARY

The Sentry's investigation shows how Kudakwashe Tagwirei, a Zimbabwean businessman and presidential advisor accused of corruption, used complex corporate structures to build and hide his wealth, potentially benefiting from preferential government treatment along the way. Tagwirei has invested in gold, nickel, platinum, and chrome mines by hiding behind South African businesspeople and offshore structures in Mauritius and the Cayman Islands and by using lawyers and financiers who are seemingly happy to turn a blind eye to accusations of cronyism and corruption.

New documents uncovered by The Sentry also show how Tagwirei has used similar networks to hide his financial interests in Zimbabwe's new public-private partnership mining company, Kuvimba Mining House, with Zimbabwe's Finance Ministry reportedly collaborating to deflect public scrutiny from these arrangements.

In 2019, Tagwirei paid millions of dollars to a Zimbabwean military-owned company so that Landela Mining Ventures, a company he controlled, could purchase 50% of Great Dyke Investments (GDI), a platinum mine worth hundreds of millions and run as a joint venture with a Russian firm. The payment raises fears about off-budget financing of Zimbabwe's abusive and partisan military.

An examination of Tagwirei's business track record reveals a pattern of accusations of privileged access and special treatment, some of which may warrant further investigation by regulators and law enforcement. Tagwirei appears to have the ability to contact senior civilian officials in Zimbabwe at short notice, particularly at the Reserve Bank of Zimbabwe (RBZ). Such high-level access, together with the pattern of previous decisions, raises the possibility of state capture.

The operations of Tagwirei's network are emblematic of larger structural problems in Zimbabwe. A select group of politicians, the military, and businesspeople dominate government decision-making with little oversight or scrutiny. Key information about public finances remains shrouded in secrecy. An environment of impunity prevails. Left unaddressed, these dynamics will likely become further entrenched.

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## SUMMARY OF RECOMMENDATIONS

- The United States, European Union countries, and the United Kingdom should consider issuing advisories on the risks of doing business with the Zimbabwean mining sector, highlighting the risks of sanctions evasion, money laundering, and corruption.
- Law enforcement and regulatory authorities in relevant jurisdictions should dig deeper into Tagwirei's network. South African and Mauritian authorities, in particular, should investigate those connected to Tagwirei's network, liaising with the United States.
- Financial institutions should conduct enhanced customer due diligence on transactions involving natural resources and government procurement in Zimbabwe—especially when transactions involve the Tagwirei network.

Read the report: <https://thesentry.org/reports/shadows-shell-games>

