

**10 May 2010**

**Center for Research and Development (CRD)  
Porous Security at Canadile costing Zimbabwe**

Security loopholes at Canadile Miners plant in Chiadzwa are costing Zimbabwe about 2000 carats per day, the Center for Research and Development (CRD) can reveal. Company employees have overtaken illegal panners and soldiers in supplying diamonds to local and foreign buyers who descend on Chiadzwa daily in search of the precious stones. Much of the stones are stolen at the Density Medium Separator, popularly known as The Plant.

There are no security cameras on the Density Medium Separator that separates diamonds from the soil. Ephraim Moabi, A South African national employed by Canadile who operates the Density Medium Separator has been having a field day looting diamonds from the machine. Mesmerised by his fortunes, Moabi started picturing himself with diamonds in his hands and on his mouth from his mobile phone, perhaps intending to show his colleagues across the border how one can easily get reach north of the Limpompo. This is despite the fact that cameras and cell phones are banned from the plant.



*Moabi pictured himself with a Diamond on his mouth.*

Weeks of intensive investigations by the CRD revealed that whilst there are cameras at the sorting department where diamonds are graded, there are no cameras at the plant. This enables workers at the plant, like Moabi, to loot diamonds. When the camera which he used to take pictures of himself was caught by a security guard, Ephraim Moabi allegedly offered him USD10 000, prompting the security guard to be keen to scrutinize the phone. Moabi was initially taken to a military base to be tortured but management changed its mind fearing that this may spark a diplomatic row with South Africa since he is a South African national. He pleaded innocence, saying he was just 'playing with the diamonds'. The Canadile policy is that no worker is allowed to touch any diamond at the Density Medium Separator since everything is done by the machine at that stage.

There is also a high possibility that Moabi is in the habit of swallowing diamonds, as is the habit with drug traffickers, to evade security checks. Several panners have resorted to swallowing diamonds when under attack or when they chose to hide a stone from their syndicates. It is not clear why Moabi chose to picture one of the diamonds on his mouth.



*Moabi holding diamonds in his hand*

### **Smuggling on the increase.**

The CRD observed that on average 60 buyers are descending on Chiadzwa to buy diamonds daily. The buyers gather at Mashukashuka, Muchena and Tenda business centres where company employees and syndicates operated by soldiers sell their diamonds. We also witnessed that at every shift (changeover of staff) buyers descend on Hot Springs resort and Mutsago business area where they intercept Canadile employees who would have smuggled diamonds. Diamonds are being sold as parcels, meaning that dealers put together a consortium of clear and rough diamonds for a certain amount. An average parcel weighs between 10 and 30 carats. Bothwell Nhlanhla, the most prominent dealer who has established connections with security officials around Chiadzwa was spotted buying diamonds from Canadile employees and soldiers daily. Nearly every worker stationed at the plant is involved in diamond smuggling. Staff at the plant are constantly being fired for stealing diamonds. Diamond smuggling involves some security personnel who are making fortunes by allowing employees to escape with diamonds in return for cash.



*The Density Medium Separator*

At the sorting Centre there is some degree of security, with a few security cameras fixed in the room. However it was also reported that some company employees at the sorting centre have a tendency of swaying the security cameras whilst they steal diamonds. In January two Canadile bosses Komalin Pakirisamy and V Naidoo were arrested after they were caught with 63 gems of clear

