

General Notice 114 of 2011¹.

INDIGENISATION AND ECONOMIC EMPOWERMENT
(GENERAL) REGULATIONS, 2011

Minimum Requirements for Indigenisation Implementation Plans
Submitted by Non-indigenous Businesses in the Mining Sector

IT is hereby notified that Minister of Youth Development, Indigenisation and Empowerment has, in terms of section 5(4) of the Indigenisation and Economic Empowerment (General) Regulations, 2010, published in Statutory Instrument 21 of 2010, prescribed the minimum requirements for indigenisation implementation plans submitted by businesses in the mining sector.

Definitions

1. For the purposes of this notice—

“designated entity” means—

- (a) the national Indigenisation and Economic Empowerment Fund; or
- (b) the Zimbabwe Mining Development Corporation established in terms of the Zimbabwe Mining Development Corporation Act [*Chapter 21:08*]; or
- (c) any company or other entity incorporated by the Zimbabwe Mining Development Corporation or the Fund for the purposes of this notice; or
- (d) a statutory sovereign wealth fund that may be created by law; or
- (e) an employee share ownership scheme or trust, management share ownership scheme or trust or community share ownership scheme or trust that complies with section 14, 14A or 14B of the regulations;

“minimum indigenisation and empowerment quota” means, as the case may be—

- (a) a controlling interest or the fifty-one *per centum* of the shares or interests which in terms of the Act is required to be held by indigenous Zimbabweans in the non-indigenous mining business concerned; or
- (b) if the minimum indigenisation and empowerment quota is partly fulfilled by the non-indigenous mining business concerned at the date of this notice, the share of that quota that is remaining to be disposed of to indigenous Zimbabweans in order to be completely fulfilled;

“non-indigenous mining business” means a business referred to in paragraph 2 of this notice.

¹ *Note by Veritas:* This notice was published in the Government Gazette Extraordinary of 25th March 2011. See also the Indigenisation and Economic Empowerment (Amendment) Regulations, 2011 (No. 3), published in Statutory Instrument 34 of 2011, published in the same Gazette.

*Minimum threshold for which indigenisation implementation plans
required in mining sector*

2. Every mining business—

(a) in respect of which fifty-one *per centum* of the shares or a controlling interest is not held by indigenous Zimbabweans; and

(b) whose net asset value is of or above one United States dollar (US\$1);

shall, unless its indigenisation implementation plan is compliant with the minimum requirements of this notice, submit an indigenisation implementation plan complying with this notice within forty-five days of the date of publication of this notice², in accordance with section 5(1) of the Regulations.

*Timeframe for achievement of minimum indigenisation and empowerment quota
in mining sector and valuation of certain shares or interests*

3. (1) Every non-indigenous mining business shall achieve the minimum indigenisation and empowerment quota by the disposal, after approval of its indigenisation implementation plan by the Minister, of its shares or interests to designated entities no later than six months from the date of publication of this notice³:

Provided that the Minister may, on good cause shown by the non-indigenous mining business concerned, extend this deadline by a further period of not more than three months⁴.

(2) The value of the shares or other interests required to be disposed of to a designated entity referred to in paragraph (a), (b) (c) or (d) of the definition thereof in paragraph 1 shall be calculated on a basis of valuation agreed to between the Minister and the non-indigenous mining business concerned, which shall take into account the State's sovereign ownership of the mineral or minerals exploited or proposed to be exploited by the non-indigenous mining business concerned.

25-3-2011.

P. MUPAZVIRIHO,
Secretary for Youth Development,
Indigenisation and Empowerment.

² Note by Veritas. i.e. no later than 10th May 2011.

³ Note by Veritas. i.e. no later than 24th September 2011.

⁴ Note by Veritas. i.e. to no later than 24th December 2011.