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ZIMBABWE INVESTMENT AUTHORITY BILL, 2005

MEMORANDUM

The Zimbabwe Investment Centre is constituted in terms of the Zimbabwe Investment Centre Act [*Chapter 24:16*] whilst the Export Processing Zones Authority is constituted in terms of the Export Processing Zones Act [*Chapter 14:07*]. This Bill seeks to repeal these two Acts and establish a new organisation to be called the Zimbabwe Investment Authority. In more detail the provisions of the Bill are as follows:

Part I

Clause 1 sets out the Bill's short title and provides for its date of commencement. **Clause 2** defines terms that are used throughout this Bill.

Part II

Clause 3 establishes the Zimbabwe Investment Authority. **Clause 4** establishes the Board of Zimbabwe Investment Authority. The Board will consist of eleven members appointed by the Minister in consultation with the President. **Clause 6** provides for the establishment of an Investment Committee. This Committee will be responsible for making recommendations to the Board for the approval or rejection of applications for investments licences. The procedure to be followed by the Board at its meetings and terms and conditions of service of members of the Board will be as set out in the **First Schedule** to the Bill.

Part III

Functions of the Authority are outlined in **clause 7**. The Authority will be responsible for processing applications for investments licences, planning and implementing investment promotion strategies, promoting the decentralisation of investment activities and supervising the implementation of approved investment projects, among other issues. **Clause 8** outlines the powers of Authority, which are further detailed in the **Second Schedule**. In terms of **clause 9**, the Authority is required to submit reports to the Minister on its operations and on any other issue as the Minister may require. Under **Clause 10**, the Authority will employ a Chief Executive Officer and other members of staff to enable it to carry out its business. **Clause 11** provides for the hiring of employees of Authority. In terms of **Clause 12**, the Minister will have power to give directions in the national interest to the Authority and the Authority is obliged to comply with such directions.

Part IV

This Part deals with applications for approval of investments. **Clause 13** deals with applications for investment licences. **Clause 14** provides for the considerations for approving applications for investment licences. **Clause 15** provides for approval or refusal of applications, for investment licences. **Clause 16** provides for the period of validity of licences. **Clause 17** deals with renewal of investment licences. **Clause 18** provides for register of licences. In terms of **Clause 19**, an investor is required to notify the Authority of non-implementation of an investment, whilst **clause 20** prohibits the transfer of licences except with the approval of the Authority. **Clause 21** gives the Authority the power to visit premises and inspect documents of licensed investors. The Authority is empowered in terms of **clause 22**, to suspend or cancel any investment licence if the conditions of such licence have been violated. **Clause 23** deals with appeals and **clause 24** provides for incentives and guidelines for investment. **Clause 25** empowers the Minister to prescribe sectors for investment.

Part V

This Part deals with financial provisions, such as funds of the Authority (**Clause 26**). **Clause 27** deals with investment of moneys not immediately required by the Authority. **Clause 28** provides for accounts and audit of the Authority's funds.

Part VI

This Part deals with general matters. **Clause 29** requires the preservation of secrecy by persons employed in carrying out the provisions of this Bill and provides for the circumstances in which information may be lawfully divulged. **Clause 30** provides for the penalty for submitting an application for project proposal with false information. **Clause 31** exempts the Authority from liability for any loss or damage sustained by any person as a result of the *bona fide* exercise of any function of the Authority. **Clause 32** provides for the protection of investments approved or licensed under the Bill in accordance with the laws of Zimbabwe. The Minister is empowered to make regulations in terms of **clause 33**. The Zimbabwe Investment Centre Act [*Chapter 24:16*] and the Export Processing Zones Act [*Chapter 14:07*] are repealed by **clause 34**. **Clauses 35** and **36** provide for transitional matters in connection with the winding up of the affairs of the Zimbabwe Investment Centre and the Export Processing Zones Authority. **Clause 37** deals with transitional issues in connection with holders of certificates or licences issued under the repealed Acts.

ZIMBABWE INVESTMENT AUTHORITY BILL, 2005

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FIRST SCHEDULE : Provisions applicable to the Board.

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BILL

To provide for the establishment of the Zimbabwe Investment Authority and its functions; to provide for the promotion and co-ordination of investment; to repeal the Zimbabwe Investment Centre Act [*Chapter 24:16*] and the Export Processing Zones Act [*Chapter 14:07*]; and to provide for matters incidental to or connected with the foregoing.

ENACTED by the President and the Parliament of Zimbabwe.

PART I

PRELIMINARY

1. Short title and date of commencement

- (1) This Act may be cited as the Zimbabwe Investment Authority Act [*Chapter 14:30*].
- (2) This Act shall come into operation on a date to be fixed by the President by statutory instrument.

2 Interpretation

- (1) In this Act—
 - “approved activity” means any business activity which is carried on by a licensed investor and which is authorised by his or her investment licence;
 - “Authority” means the Zimbabwe Investment Authority established by section 3;
 - “Board” means the Zimbabwe Investment Authority Board referred to in section 4;
 - “Chief Executive Officer” means the Chief Executive Officer of the Authority appointed in terms of section 10;
 - “Commissioner-General” means the Commissioner-General referred to in section 19 of the Revenue Authority Act [*Chapter 23:11*];

“fixed date” means the date fixed in terms of section 1(2) as the date of commencement of this Act;

“investment” means —

- (a) an investment in Zimbabwe or a proposal therefor which will necessitate the expenditure of convertible foreign currency; or
- (b) any other investment or proposal therefor of a class specified by the Minister for the purposes of this definition by notice in a statutory instrument;

“Investment Committee” means the Investment Committee established in terms of section 6;

“investment licence” means an investment licence issued in terms of section 15;

“licensed investor” means the holder of an investment licence;

“member” means the chairperson or any other member of the Board referred to in section 5(1);

“Minister” means the Minister of Industry and International Trade or any other Minister to whom the President may from time to time assign the administration of this Act.

(2) Words importing male or female persons include corporate bodies.

PART II

ZIMBABWE INVESTMENT AUTHORITY

3. Establishment of Zimbabwe Investment Authority

There is hereby established a body, to be known as the Zimbabwe Investment Authority, which shall be a body corporate capable of suing and being sued in its own name and, subject to this Act, of performing all acts that bodies corporate may by law perform.

4. Zimbabwe Investment Authority Board

The operations of the Authority shall, subject to this Act, be controlled and managed by a Board to be known as the Zimbabwe Investment Authority Board.

5. Constitution of Board

(1) The Board shall consist of—

- (a) eleven members appointed by the Minister in consultation with the President and subject to such directions as the President may give, of whom—
 - (i) one shall be chosen from a list of not fewer than three names submitted by the Minister responsible for industry; and
 - (ii) one shall be chosen from a list of not fewer than three names submitted by the Minister responsible for finance; and
 - (iii) one shall be chosen from a list of not fewer than three names submitted by the Minister responsible for economic development; and
 - (iv) one shall be chosen from a list of not fewer than three names submitted by the Minister responsible for agriculture; and

- (v) one person shall be appointed by the Minister after consultation with any one or more organisations which the Minister considers to be representative of industry and commerce; and
- (vi) one person shall be appointed by the Minister after consultation with any one or more organisations which the Minister considers to be representative of the mining industry; and
- (vii) one person shall be appointed by the Minister after consultation with any one or more organisations which the Minister considers to be representative of indigenous business empowerment groups; and
- (viii) two persons shall be appointed by the Minister after consultation with any one or more organisations which the Minister considers to be representative of export-oriented organisations; and
- (ix) two shall be appointed for their ability and experience in business;

and

- (b) the Chief Executive Officer, who shall be an *ex officio* member of the Board.

(2) If any person or organisation referred to in paragraph (a) of subsection (1) fails to submit a list of nominees for appointment to the Board within thirty days of being requested to do so by the Minister in writing, the Minister may appoint any person to represent that person or organisation, and the person so appointed shall hold office as a member in all respects as if he or she had been duly nominated and appointed in terms of subsection (1).

(3) The Minister shall appoint one member as chairperson of the Board and the Board shall at its first meeting elect a vice-chairperson from among its members, and the vice-chairperson shall exercise the functions of the chairperson during any period that the chairperson is unable to exercise his or her functions.

(4) The provisions relating to the terms and conditions of office, vacation of office, dismissal of members, filling of vacancies, meetings and procedures of the Board and other related matters shall be as set out in the First Schedule.

6 Investment Committee

(1) The Board shall establish an Investment Committee which shall be responsible for making recommendations to the Board to approve or refuse to approve any investment applications submitted to the Authority by any prospective domestic or foreign investors.

(2) The Investment Committee shall consist of—

- (a) the Chief Executive Officer who shall, subject to paragraph (b) of the proviso to paragraph 7(2)(a) of the First Schedule, be the chairperson; and
- (b) two members appointed by the Board for their ability and experience in investment matters; and
- (c) a representative of the Office of the President and Cabinet, nominated by the President;
- (d) a representative from each of the following Ministries nominated by the Minister concerned—
 - (i) the Ministry responsible for finance; and

- (ii) the Ministry responsible for industry; and
 - (iii) the Ministry responsible for agriculture; and
 - (iv) the Ministry responsible for mines; and
 - (v) the Ministry responsible for public service, labour and social welfare; and
 - (vi) the Ministry responsible for environment and tourism, and
 - (vii) the Ministry responsible for local government; and
 - (viii) the Ministry responsible for justice; and
 - (ix) the Ministry responsible for economic development;
- and
- (e) a representative from each of the following departments—
- (i) the Zimbabwe Revenue Authority nominated by the Commissioner-General;
 - (ii) the Department of Immigration nominated by the Chief Immigration Officer;
- and
- (f) a representative from the Reserve Bank of Zimbabwe nominated by the Governor of the Reserve Bank of Zimbabwe.
- (3) Where the Chief Executive Officer considers it appropriate he or she may invite representatives from any other Ministries, bodies or organisations that the Chief Executive Officer considers appropriate to attend any meeting of the Investment Committee.
- (4) Paragraph 7 of the First Schedule shall apply to the Investment Committee.

PART III

FUNCTIONS OF AUTHORITY

7 Functions of Authority

Subject to this Act, the functions of the Authority shall be—

- (a) to deal with applications for investment licences;
- (b) to plan and implement investment promotion strategies for the purpose of encouraging investment by domestic and foreign investors;
- (c) to identify sectors of the economy with potential for investment for the purpose of attracting domestic and foreign investors;
- (d) to respond to proposals from any domestic or foreign investor for joint ventures with State or otherwise;
- (e) to promote the decentralisation of investment activities in accordance with the development policy of the Government;
- (f) to supervise, monitor and evaluate the implementation of approved investment projects and to submit reports to the Minister concerning such projects;
- (g) to promote and co-ordinate investment activities in enterprises or sectors of the economy which—
 - (i) are of strategic importance to national development; or

- (ii) require additional investment for the purpose of any sectoral objectives;
- (h) to recommend to the Minister, the granting of additional incentives, where necessary, outside of existing policy investment procedures;
- (i) to advise the Minister on investment policy so as to enhance the development of the economy;
- (j) to advise the Minister on all matters relating to investment in Zimbabwe.

8 Powers of Authority

Subject to this Act, for the better exercise of its functions the Authority shall have power to do or cause to be done, either by itself or through its agents, all or any of the things specified in the Second Schedule, either absolutely or conditionally and either solely or jointly with others.

9 Reports of Authority

(1) In addition to any report that the Authority is required to submit to the Minister in terms of this Act or the Audit and Exchequer Act [*Chapter 22:03*], the Authority—

- (a) shall submit to the Minister an annual report or any other report as the Minister may require; and
- (b) may submit to the Minister such other report as the Authority may consider advisable;

in regard to the operations and property of the Authority.

(2) The Minister may lay a report submitted to him or her by the Authority in terms of subsection (1) before Parliament.

10 Chief Executive Officer

(1) Subject to this Act, the Board shall appoint a person approved by the Minister to be the Chief Executive Officer of the Authority, on such terms and conditions as the Board, with the approval of the Minister, may fix.

(2) No person shall be appointed as Chief Executive Officer and no person shall hold office as Chief Executive Officer if he or she is not a citizen of Zimbabwe.

(3) The Board shall terminate the appointment of the Chief Executive Officer if he or she would be required in terms of paragraph 3(b), (c) or (d) of the First Schedule to vacate his or her office had the provisions of that section and of paragraph 2(b) and (c) of the First Schedule applied to him or her.

(4) Subject to the general control of the Board, the Chief Executive Officer shall be responsible for—

- (a) managing the operations and property of the Authority; and
- (b) supervising and controlling the activities of the employees of the Authority in the course of their employment.

(5) The Board may assign to the Chief Executive Officer such other functions as the Board thinks fit:

Provided that the Board shall not assign to the Chief Executive Officer any duty that has been assigned to the chairperson of the Board.

(6) Any assignment of functions in terms of subsection (5) may be made either generally or specifically and subject to such reservations, restrictions, and exceptions as the Board may determine, and may be revoked by the Board at any time.

11 Staff of Authority

(1) The Board may employ on such terms and conditions as it may determine employees who are necessary for the conduct of the business of the Authority and may suspend, discipline or discharge any such persons.

(2) The Board may delegate its powers referred to in subsection (1) to the Chief Executive Officer.

(3) The Authority may, with the approval of the Minister, make rules relating to staff development.

12 Minister may give Authority directions in national interest

(1) The Minister may give to the Authority such directions in writing of a general character relating to the exercise by it of its functions as they appear to the Minister to be requisite in the national interest.

(2) The Authority shall, with all due expedition, comply with any direction given to it in terms of subsection (1).

(3) Where the Authority has been given a direction in terms of subsection (1), the Board shall ensure that the direction and any views it has expressed thereon are set out in its annual report submitted in terms of the Audit and Exchequer Act [*Chapter 22:03*].

PART IV

APPLICATIONS FOR INVESTMENT LICENCES

13 Applications for investment licences

(1) Any person who wishes—

- (a) to obtain the approval of the Authority to invest in Zimbabwe;
- (b) his or her business activity to be approved by the Authority as a foreign investment.

shall submit an application to the Authority in the prescribed form for an investment licence, and the application shall be accompanied by the prescribed fee, if any, and such documents as the Authority may require.

(2) Within fourteen days after receiving an application in terms of subsection (1), the Chief Executive Officer shall either—

- (a) refer the application to the Investment Committee for consideration; or
- (b) refer the application back to the applicant and report his or her action to the Investment Committee.

(3) Within fourteen days after receiving an application in terms of subsection (2)(a), the Investment Committee shall consider the application, reach a decision thereon and refer its recommendations to the Board.

(4) Within twenty-one days after receiving the Investment Committee's recommendations, the Board shall—

- (a) approve the Investment Committee's recommendation; or
- (b) return the application for further consideration by the Investment Committee; or
- (c) reject the recommendation.

14 Considerations for approving applications for investment licences

- (1) In considering an application for an investment licence the Board shall have regard to—
 - (a) the extent to which skills and technology will be transferred for the benefit of Zimbabwe and its people; and
 - (b) the extent to which the proposed investment will lead to the creation of employment opportunities and the development of human resources; and
 - (c) the extent to which local raw materials will be utilised and beneficated and, where the extent of utilisation or benefication is prescribed under section 25, whether the project complies with the prescribed requirements; and
 - (d) the value of the convertible foreign currency transferred to Zimbabwe in connection with the project; and
 - (f) the impact the proposed investment is likely to have on the environment and, where necessary, the measures proposed to deal with any adverse environmental consequences; and
 - (g) the impact the investment is likely to have on existing industries in the economy; and
 - (h) the possibility of transfer of technology; and
 - (i) where any requirements other than those referred to in section 25(2)(d) and (e) are prescribed, whether the project complies with those requirements; and
 - (j) any other considerations that the Board considers appropriate.

15 Approval or refusal of applications for investment licences

(1) The Board shall without delay approve or refuse to approve any application for an investment licence submitted to it in terms of section 13.

(2) The Board may impose such conditions on the issue of any investment licence it considers appropriate.

(3) Where the Board approves an application in terms of subsection (1), the Board shall issue to the applicant an investment licence in the prescribed form specifying —

- (a) the name, nationality and address of the applicant; and
- (b) in the case of a company, the registered office of the company and the names and nationalities of the directors of the company; and
- (c) a description of the proposed investment, and of the approved activity which will be authorised by the licence; and
- (d) the nature and the amount or value of the foreign assets to be invested and, where applicable, the period or periods within which they shall be invested; and
- (f) the date of issue and expiry of the licence; and
- (g) any other matters which the Board considers necessary to give effect to this Act.

(4) The Board may vary or amend any conditions imposed in terms of subsection (2), where it is informed of any changes relating to the investment in terms of section 19.

16 Period of validity of investment licences

Any investment licence shall be valid for a definite fixed by the Board from the date of issue.

17 Renewal of investment licences

A licensed investor may renew his or her investment licence before its expiry, and an application for renewal shall be made in such form and manner and within such period as may be prescribed and shall be accompanied by such fee, if any, as may be prescribed.

18 Register of investment licences

(1) The Authority shall maintain or cause to be maintained a register of—

- (a) investment licences, including any conditions subject to which each licence was issued; and
- (b) any amendments, suspensions or cancellations of investment licences.

(2) The register kept in terms of subsection (1) shall be open for inspection by members of the public at all reasonable times at the offices of the Authority on payment of the prescribed fee, if any.

19 Investor to notify Authority of non-implementation of investment

(1) Where for any reason a licensed investor is unable to implement the investment described in his or her investment licence, he or she shall notify the Authority of his or her inability to implement such investment, stating the reasons therefor, within thirty days of his or her becoming aware of the non-implementation of the investment.

(2) A licensed investor shall without delay inform the Authority of any material alteration in the information or particulars furnished by him or her when he or she applied for the investment licence.

20 Transfer of investment licences

No licensed investor shall, except with the prior approval of the Authority, assign, cede or otherwise transfer his or her investment licence to any other person.

21 Power to visit premises and inspect documents

The Authority is hereby authorised to visit any premises and inspect any financial statements, books and other documents in order to ensure compliance with any conditions subject to which any investment licence was issued.

22 Suspension and cancellation of licences

(1) The Authority may suspend or cancel any investment licence where the licensed investor—

- (a) obtained the licence on the basis of fraud or a misrepresentation of a material nature or any false or misleading statement; or

- (b) assigns, cedes or otherwise transfers the licence to another person without the prior approval of the Authority; or
- (c) fails without reasonable explanation to implement the approved activity described in the licence within the period stipulated or any extension thereof; or
- (d) fails to comply with any conditions imposed on the issue of the licence.

(2) The Authority shall, before taking any action in terms of subsection (1), notify the licensed investor of its intention to suspend or cancel the investment licence concerned and the reasons therefor, and call upon the licensed investor to show cause, within such reasonable period as may be specified in the notice, why his or her investment licence should not be suspended or cancelled, as the case may be.

(3) If, at the expiration of the period specified in the notice given in terms of subsection (2), and after considering any representations made by the licensed investor, the Authority is satisfied for any reason specified in subsection (1) that the investment licence concerned should be suspended or cancelled, the Authority may, by notice in writing to the applicant, suspend or cancel the licence or take such other action as it considers appropriate, including suspending or cancelling any incentives to which the licensed investor may be entitled in terms of this Act.

23 Appeals to Minister

(1) Any person who is aggrieved by a decision of the Board may, within thirty days after the date of the decision, appeal against the decision to the Minister.

(2) The Minister may on an appeal in terms of subsection (1), within sixty days after the appeal was noted —

- (a) confirm, vary or set aside the decision of the Board;
- (b) remit the matter to the Board for further consideration with such directions or advice as it considers necessary.

24 Incentives

(1) The Minister, in consultation with the Minister responsible for finance, shall publish guidelines for investment, which shall mention—

- (a) general incentives that may be applicable to licensed investors, whether foreign or domestic; and
- (b) special incentives that may be applicable to specific categories of licensed investors such as primary producers, exporters, investors involved in value-addition and import-substitution projects, whether foreign or domestic; and
- (c) any other incentives and conditions that may be applicable to investors, whether foreign or domestic;

and in so doing the Minister may, without derogation from section 21 of the Interpretation Act [*Chapter 1:01*], specify different incentives for domestic and foreign licensed investors.

(2) The Minister shall take all steps that are necessary to ensure that any incentives mentioned in guidelines published in terms of subsection (1) are granted to the licensed investors concerned.

25 Minister may prescribe sectors for investment, extent of value-addition, etc.

(1) In this section and section 14, “beneficiate”, in relation to a raw material, means cause such raw material to undergo any process which changes the form of, or adds value to, the raw material.

(2) The Minister may, by notice in a statutory instrument—

- (a) specify the sectors of the economy available for investment by domestic and foreign investors;
- (b) specify the sectors of the economy reserved exclusively for domestic investors for the purpose of promoting equitable participation in the economy by domestic investors;
- (c) prohibit the export of specified raw materials in unbeneficiated form;
- (d) prescribe the manner in or extent to which any raw materials shall be beneficiated before export;
- (e) prescribe the degree of export orientation of investment proposals submitted by applicants for investment licences.

PART V

FINANCIAL PROVISIONS

26 Funds of Authority

The funds of the Authority shall consist of—

- (a) rents, fees, charges and other income accruing to the Authority from licenses and permits issued, services rendered and activities carried out by the Authority; and
- (b) such moneys as may be payable to the Authority from moneys appropriated for the purpose by Parliament; and
- (c) such other moneys as may vest in or accrue to the Authority, whether in the course of its operations or otherwise.

27 Investment of moneys not immediately required by Authority

Moneys not immediately required by the Authority may be invested in such a manner as the Minister and the Minister responsible for finance may approve.

28 Accounts and Audit

(1) The Authority shall keep proper books of account and other records relating thereto in respect of all its activities and property, including such particular accounts and records as the Minister may direct.

(2) The Authority shall prepare and submit to the Minister a statement of accounts in respect of each financial year or such other period as the Minister may direct.

(3) The accounts of the Authority shall be examined and audited by the Comptroller and Auditor-General or such other person who is registered as a public auditor in terms of the Public Accountants and Auditors Act [*Chapter 27:12*] and who is appointed by the Comptroller and Auditor-General after consultation with the Minister and the Authority.

(4) The auditor shall examine the accounts of the Authority and make a report to the Board and the Minister on the statement of accounts prepared in terms of subsection (2), and such report shall state whether or not in his or her opinion the statement of accounts gives a true and fair view of the state of the financial affairs of the Authority.

(5) In addition to the report referred to in subsection (4), the Minister may require the Board to obtain from its auditor such other report or statement in connection with the operations and property of the Authority as the Minister may consider expedient.

(6) Without derogation from section 11(6) of the Audit and Exchequer Act [Chapter 22:03], an auditor shall be entitled at all reasonable times to require to be produced to him or her all accounts and other records relating thereto kept by the Authority or its agents together with such information and explanations as in his or her opinion are necessary for the purposes of his or her audit.

PART VI

GENERAL

29 Preservation of secrecy

(1) All persons who —

- (a) are employed in carrying out the provisions of this Act; or
- (b) examine documents or investment applications or proposals under the control or in the custody of the Authority shall subject to subsection (2), keep secret, and aid in keeping secret, all information coming to their knowledge in the exercise of their functions.

(2) No person referred to in subsection (1) shall, except in the exercise of his or her functions under this Act or unless he or she is required to do so by order of a competent court—

- (a) communicate information coming to his or her knowledge in the exercise of his or her functions to any person who is not—
 - (i) the applicant or other person to whom the information relates or by whom the information was furnished; or
 - (ii) the lawful representative of the applicant or other person to whom the information relates or by whom the information was furnished; or
 - (iii) a person to whom the information is required to be communicated in terms of this Act or any enactment relating to the Public Service, the collection and safe custody of public moneys or the audit of public accounts;

or

- (b) allow any person who is not a person referred to in paragraph (a) (i), (ii) or (iii) to have access to any record, document or application under the control or in the custody of the Authority which contains information referred to in that paragraph.

(3) No person referred to in subsection (1) shall, for his or her personal gain, directly or otherwise, make use of any information which has come to his knowledge in the exercise of his or her functions in terms of this Act.

(4) Any person who contravenes any provision of this section shall be guilty of an offence and liable to a fine not exceeding level eight or to imprisonment for a period not exceeding three years or to both such fine and such imprisonment.

30 False statements

Any person who, when submitting an application for an investment licence, makes any statement knowing it to be false in a material particular or not reasonably believing it to be true, shall be guilty of an offence and liable to a fine not exceeding level six or to imprisonment for a period not exceeding one year or to both such fine and such imprisonment.

31 Exemption from liability for Authority

No liability shall attach to the Authority or to any employee of the Authority or to the Board or to a member of the Board or any committee of the Board for any loss or damage sustained by any person as a result of the *bona fide* exercise or performance of any function which by or in terms of this Act is conferred or imposed upon the Authority or the Board:

Provided that this section shall not be construed so as to prevent any person from recovering compensation for any loss or damage sustained by him or her, which was caused by negligence.

32 Protection of investments

The property or interest or right therein of every licensed investor to whom an investment licence has been issued in terms of this Act shall be accorded every protection afforded by the laws of Zimbabwe.

33 Regulations

(1) The Minister, after consultation with the Authority, may make regulations providing for all matters which by this Act are required or permitted to be prescribed or which, in his or her opinion, are necessary or convenient to be provided for in order to carry out or give effect to this Act.

(2) Regulations made in terms of subsection (1) may provide for—

- (a) the form of the applications to be made in terms of this Act and the documents to be submitted with such application;
- (b) the form of investment licences issued in terms of section 15(3);
- (c) the fee payable for any application;
- (d) the sectors of the economy that may be invested in by domestic and foreign investors.

34 Repeal of Caps. 24:16 and 14:07 and savings

(1) Subject to subsection (2), the Zimbabwe Investment Centre Act [Chapter 24:16] and the Export Processing Zones Act [Chapter 14:07] are repealed.

(2) Notwithstanding subsection (1), but subject to section 37, any certificate or licence issued or anything done or commenced or any decision made in terms of the Zimbabwe Investment Centre Act [Chapter 24:16] or the Export Processing Zones Act [Chapter 14:07] which, immediately before the fixed date, had or was capable of acquiring effect shall continue to have or be capable of acquiring, as the case may be, effect as if it had been issued, done, commenced or made in terms of this Act.

35 Transfer of assets, obligations, etc. of Zimbabwe Investment Centre and Export Processing Zones Authority to Authority

(1) In this section and section 36—

“Export Processing Zones Authority” means the Export Processing Zones Authority established in terms of the Export Processing Zones Act [*Chapter 14:07*] repealed by section 34;

“Zimbabwe Investment Centre” means the Zimbabwe Investment Centre established in terms of the Zimbabwe Investment Centre Act [*Chapter 24:16*] repealed by section 34.

(2) The assets and rights of the Zimbabwe Investment Centre and the Export Processing Zones Authority, together with any liabilities or obligations attaching to them, shall be transferred to the Authority with effect from such date (the "relevant transfer date") as the Minister may specify.

(3) All bonds, hypothecations, deeds, contracts, instruments, documents and working arrangements which subsisted immediately before the relevant transfer date in relation to any asset, right or liability or obligation transferred to the Authority under this section and to which the Zimbabwe Investment Centre or the Export Processing Zones Authority was party shall, on and after that date be as fully effective and enforceable against or in favour of the Authority as if the Authority had been named therein.

36 Transfer of employees to Authority and conditions of service of transferred employees

(1) With effect from the fixed date every person employed by the Zimbabwe Investment Centre and the Export Processing Zones Authority immediately before that date shall be transferred to the service of the Authority on terms not less favourable than those enjoyed by him or her immediately prior to his transfer.

(2) Until such time as conditions of service are drawn up by the Authority, the terms and conditions of service applicable to employees of the Zimbabwe Investment Centre or the Export Processing Zones Authority, as the case may be, shall continue to apply to every employee transferred to the Authority as if every such person were still in the service of the Zimbabwe Investment Centre or the Export Processing Zones Authority, as the case may be.

37 Persons licensed or certified under repealed Acts

(1) Every holder of a licence issued in terms of the Export Processing Zones Act [*Chapter 14:07*] and every holder of a certificate issued in terms of the Zimbabwe Investment Centre Act [*Chapter 24:16*] shall, no later than six months after the fixed date, apply to the Authority for an investment licence in terms of this Act.

(2) The Authority shall grant an investment licence to every applicant under subsection (1) on the same terms as those granted to the applicant under its previous licence or certificate, unless the Authority is satisfied that the applicant has not complied with the terms of its previous licence or certificate.

(3) Section 23 applies where any person is aggrieved by a decision of the Authority made under subsection (2).

FIRST SCHEDULE (*Section 5(4)*)
PROVISIONS APPLICABLE TO THE BOARD
ARRANGEMENT OF PARAGRAPHS

1. Terms and conditions of office members.
2. Disqualification for appointment as member.
3. Vacation of office by member.
4. Dismissal or suspension of member.
5. Filling of vacancies of Board.
6. Meetings and procedure of Board.
7. Committees of Board
8. Remuneration and expenses of members of Board and members of committees.
9. Disclosure of interest of members of Board.
10. Validity of decisions and acts of Board.
11. Execution of contracts and instruments by the Authority.
12. Minutes of proceedings of Board and Committees.

Terms and conditions of office of members

- 1.(1) Subject to this Schedule, a member shall hold office for such period, not exceeding three years, as the Minister may fix on his or her appointment.
- (2) Subject to paragraph 8,a member shall hold office on such conditions as the Minister may fix in relation to members generally.
- (3) A retiring member shall be eligible for re-appointment as a member.

Disqualification for appointment as member

2. The Minister shall not appoint a person as a member and no person shall be qualified to hold as a member if he or she—
 - (a) is not a citizen of Zimbabwe or is not permanently resident in Zimbabwe; or
 - (b) is married to a person who is engaged in any activity connected with any business, if in the opinion of the Minister such financial interest or activity is likely to interfere with the impartial discharge by that person of his or her duties as a member; or
 - (c) has, in terms of a law in force in any country —
 - (i) been adjudged or otherwise declared insolvent or bankrupt and has not been rehabilitated or discharged; or
 - (ii) made an assignment to, or arrangement or composition with, his or her creditors which has not been rescinded or set aside;

or

 - (d) has, within the period of five years immediately preceding the date of his or her proposed appointment, been convicted—

- (i) in Zimbabwe, of an offence; or
- (ii) outside Zimbabwe, in respect of conduct which if committed in Zimbabwe would constitute an offence;

and sentenced to a term of imprisonment imposed without the option of a fine, whether or not any portion has been suspended, and has not received a free pardon.

Vacation of office by member

3. A member shall vacate his or her office and the member's office shall become vacant—
- (a) one month after the date upon which he or she gives notice in writing to the Minister of his or her intention to resign or on the expiry of such other period of notice as the member and the Minister may agree; or
 - (b) on the date he or she begins to serve a sentence of imprisonment imposed in Zimbabwe without the option of a fine—
 - (i) in Zimbabwe, in respect of an offence ; or
 - (ii) outside Zimbabwe, in respect of conduct which if committed in Zimbabwe, would constitute an offence; or
 - (c) if he or she becomes disqualified in terms of paragraph 2(a) , (b) or (c) to hold office as a member; or
 - (d) if he or she is required in terms of paragraph 4 to vacate his or her office.

Dismissal or suspension of members

- 4.(1) The Minister may require a member to vacate his or her office if the member—
- (a) has been guilty of any conduct that renders him or her unsuitable as a member; or
 - (b) has failed to comply with the conditions of his or her office fixed by the Minister in terms of paragraph 1(2); or
 - (c) is mentally or physically incapable of efficiently carrying out his or her functions as a member.

(2) The Minister, on the recommendation of the Board, may require a member to vacate his or her office if the member has been absent without the permission of the Board from two consecutive meetings of the Board of which he or she was given at least seven days' notice and there was no just cause for the member's absence.

- (3) The Minister may suspend a member—

- (a) whom he or she suspects on reasonable grounds of having been guilty of conduct referred to in subparagraph (1)(a); or
- (b) against whom criminal proceedings have been instituted for an offence in respect of which a sentence of imprisonment without the option of a fine may be imposed;

and while that member is so suspended he or she shall not carry out any functions as a member.

Filling of vacancies on Board

5. On the death of or the vacation of office by a member the Minister shall appoint a person to fill the vacancy.

Meetings and procedure of Board

6.(1) The Board shall hold its first meeting on such date and at such place as the Minister may fix and thereafter the Board shall meet for the dispatch of business and adjourn, close and regulate its business as it thinks fit:

Provided that a meeting of the Board shall be held not less than six times in each financial year of the Authority.

(2) The chairperson of the Board—

- (a) may at any time convene a special meeting of the Board; and
- (b) shall convene a special meeting of the Board on the written request of—
 - (i) the Minister, within such period as the Minister may specify; or
 - (ii) not fewer than two members, not later than fourteen days after his or her receipt of such request.

(3) Written notice of any special meeting convened in terms of subsection (2) shall be sent to each member no later than forty-eight hours before the meeting and shall specify the business for which the meeting has been convened.

(4) No business shall be discussed at a special meeting convened in terms of subparagraph (2) other than—

- (a) such business as may be determined by the chairperson of the Board, where he or she has convened the meeting in terms of paragraph (a) of that subparagraph; or
- (b) the business specified in the request for the meeting, where he or she has convened the meeting in terms of paragraph (b) of that subparagraph.

(5) The chairperson or, in his or her absence, the vice-chairperson shall preside at all meetings of the Board:

Provided that, if the chairperson and the vice-chairperson are absent from a meeting of the Board, the members present may elect one of their number to preside at that meeting as chairperson.

(6) Five members shall form a quorum at any meeting of the Board.

(7) All acts, matters or things authorised or required to be done by the Board may be decided by a majority vote at a meeting of the Board at which a quorum is present.

(8) Subject to subparagraph (9), at all meetings of the Board each member present shall have one vote on each question before the Board and, in the event of an equality of votes, the chairperson shall have a casting vote in addition to a deliberative vote.

(9) Any proposal circulated among all members and agreed to in writing by a majority of all members shall have the same effect as a resolution passed at a duly constituted meeting of the Board and shall be incorporated in the minutes of the next succeeding meeting of the Board:

Provided that if a member requires that such proposal be placed before a meeting of the Board, this subparagraph shall not apply to such proposal.

Committees of Board

7.(1) For the better exercise of its functions, the Board may establish one or more committees and vest in the committees such of its functions as it thinks fit:

Provided that the vesting of any functions in a committee shall not divest the Board of those functions in relation to any matter that has not been decided by the committee.

(2) Where it has established a committee the Board—

- (a) shall appoint at least one member of the Board to be a member of the committee and shall designate that member, or one of those members, as the case may be, to be chairperson of the committee:

Provided that in the case of the Investment Committee established in terms of section 6—

- (a) the Chief Executive Officer shall be chairperson;
- (b) in the absence of the Chief Executive Officer, the Board may appoint any other person to be the chairperson;

and

- (b) subject to subparagraph (3), may appoint persons who are not members of the Board to be members of the committee.

(3) The Board shall not appoint a person to be a member of a committee if he or she is disqualified in terms of paragraph 2 from appointment as a member of the Board.

(4) The office of a member of a committee of the Board shall terminate—

- (a) in the case of a member who is a member of the Board, upon his or her ceasing to be a member of the Board;
- (b) in the case of a member who is not a member of the Board, if he or she would be required in terms of paragraph 2 to vacate his or her office had that paragraph and paragraph 2(a), (b) and (c) applied to him or her.

(5) Subject to subparagraph (4), members of committees of the Board shall hold office on such conditions as the Board may fix for members of committees generally.

(6) The chairperson of the Board may at any time and place convene a meeting of a committee of the Board.

(7) Subject to paragraphs 6, 9, and 12, the procedure to be followed at any meeting of a committee of the Board shall be fixed by the Board.

Remuneration and expenses of members of Board and members of committees

8. Members of the Board and of committees of the Board shall be paid from the funds of the Authority—

- (a) such remuneration, if any, as the Minister may from time to time fix for such members generally; and
- (b) such allowances, if any, as the Board may from time to time fix to meet any reasonable expenses incurred by such members in connection with the business of the Board or of the committee concerned, as the case may be.

Disclosure of interest of members of Board and members of committees

9.(1) If a member of the Board or of a committee of the Board or a spouse of such a member—

- (a) tenders for or acquires or holds a direct or indirect pecuniary interest in a contract with the Authority or any application for an investment licence under consideration by the Authority; or
 - (b) knowingly acquires or holds a direct or indirect pecuniary interest in a company or association of persons—
 - (i) applying or negotiating for a contract with the Authority; or
 - (ii) applying for an investment licence;
- or
- (c) owns immovable property or holds a right in immovable property or a direct or indirect pecuniary interest in a company or association of persons which results in his or her private interests coming or appearing to come into conflict with his or her duties as a member;

the member shall forthwith disclose the fact to the Board or to the committee, as the case may be.

(2) A member referred to in subparagraph (1) shall take no part in the consideration or discussion of, or vote on, any question before the Board or the committee, as the case may be, which relates to any contract or right, immovable property, interest or project proposal referred to in that subsection.

Validity of decisions and acts of Board

10. No decision or act of the Board or act done under the authority of the Board shall be invalid by reason only of the fact that a disqualified person acted as a member of the Board at the time the decision was taken or act was done or authorised.

Execution of contracts and instruments by the Authority

11. Any agreement, contract or instrument approved by the Board may be entered into or executed on behalf of the Authority by any persons generally or specially authorised by the Board for that purpose.

Minutes of proceedings of Board and committees

12.(1) The Board shall cause minutes of all proceedings of and decisions taken at every meeting of the Board or of a committee of the Board to be entered in books kept for the purpose.

(2) Any minutes referred to in subparagraph (1) which purport to be signed by the chairperson of the meeting to which the minutes relate or by the chairperson of the next meeting of the Board or the committee concerned, as the case may be, shall be accepted for all purposes as *prima facie* evidence of the proceedings of and decisions taken at the meeting concerned.

SECOND SCHEDULE (Section 8)

POWERS OF AUTHORITY

1. To acquire by lease, purchase, or otherwise, immovable property and construct buildings thereon.
2. To buy, take in exchange, hire or otherwise acquire movable property, including vehicles, necessary or convenient for the performance of its functions.
3. To maintain, alter and improve property acquired by it.
4. To mortgage or pledge any assets or part of any assets and, with the approval of the Board, to sell, exchange, let, dispose of, turn to account or otherwise deal with any assets or part of any assets which are not required for the exercise of its functions for such consideration as the Authority may, with the approval of the Minister, determine.
5. To open bank and building society and post office accounts in the name of the Authority and to draw, make, accept, endorse, discount, execute and issue for the purposes of its functions promissory notes, bills of exchange, bills of lading, securities and other negotiable or transferable instruments.
6. To insure against losses, damages, risks and liabilities which it may incur.
7. To construct factory shells and industrial parks for leasing to foreign and local investors.
8. To sell, rent, grant leases, sub-leases or other interests or concessions in respect of land, buildings or any other facility or structure owned by, or under the control of, the Authority.
9. To invest, in such manner and on such security, if any, as the Authority may determine, any funds of the Authority, which are not immediately required, and to vary or realise any investment so made.
10. To enter into contracts and suretyships or give guarantees in connection with the exercise of its functions and to modify or rescind such contracts or rescind such suretyships or guarantees.
11. With the approval of the Minister, to enter into, review, cancel or abandon arrangements with any government or authority, local or otherwise, that may seem conducive to the exercise of its functions or any of them and to obtain from such government or authority rights, privileges and concessions which the Authority thinks desirable to obtain, and carry out, exercise and comply with such arrangements, rights, privileges and concessions.
12. To raise loans or borrow money in such amounts and for such purposes and under conditions as may be approved by the Minister.
13. To establish and administer such funds and reserves as the Authority may consider appropriate or necessary for the proper exercise of the functions of the Authority.
14. To pay such remuneration and allowances and grant such leave of absence and to make such gifts and pay bonuses and the like to its employees as Authority deems fit.
15. To provide terminal benefits for its employees on their retirement, resignation, discharge or other termination of service or in the event of their sickness or injury and for their retirement, resignation, discharge or other termination of service or in the event of their sickness or injury.