

Zimbabwe

Zimbabwe Mining Development Corporation Act

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Powers of corporation

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Zimbabwe**Zimbabwe Mining Development Corporation Act****Chapter 21:08****Commenced on 4 November 1983***[Up to date as at 31 December 2016]**[Note: This version of the Act was revised and consolidated by the Law Development Commission of Zimbabwe]*

AN ACT to establish the Zimbabwe Mining Development Corporation and to provide for the functions, powers and duties thereof; to provide for the constitution, functions, powers and duties of the Mining Development Board; to regulate the financial affairs of the Zimbabwe Mining Development Corporation; and to provide for matters incidental to or connected with the foregoing.

Part I – Preliminary**1. Short title**

This Act may be cited as the Zimbabwe Mining Development Corporation Act *[Chapter 21:08]*.

2. Interpretation

In this Act—

“**Board**” means the Mining Development Board referred to in section four;

“**Corporation**” means the Zimbabwe Mining Development Corporation established by section three;

“**member**” means the chairman or any other member of the Board referred to in subsection (1) of section five;

“**Minister**” means the Minister of Mines or any other Minister to whom the President may, from time to time, assign the administration of this Act.

Part II – Zimbabwe Mining Development Corporation and Mining Development Board**3. Establishment of Zimbabwe Mining Development Corporation**

There is hereby established a corporation to be known as Establishment of the Zimbabwe Mining Development Corporation, which shall be a body corporate and shall be capable of suing and being sued in Corporation to its corporate name and, subject to this Act, of performing all such acts as bodies corporate may by law perform.

4. Establishment of Mining Development Board

The operations of the Corporation shall, subject to this Act, be controlled by a board, to be known as the Mining Development Board, constituted in terms of this Part.

5. Constitution of Board

- (1) The Board shall consist of not less than five and not more than nine members who shall be appointed by the Minister after consultation with the President and in accordance with any directions the President may give him and who shall be chosen for their ability and experience in the mining industry or administration and for their suitability otherwise for appointment as members.
- (2) The Minister shall appoint one member as chairman of the Board and another member as deputy

chairman of the Board, and the deputy chairman shall exercise the functions and powers and perform the duties of the chairman during any period that the chairman is unable to exercise his functions.

- (3) The Minister may appoint any person to the Board as an alternate to any member referred to in subsection (1), and such member—
- (a) shall act as a member only when the member to whom he is alternate is for any reason unable to exercise his functions on the Board;
 - (b) when acting as a member shall exercise the functions and powers and perform the duties of the member to whom he is alternate:

Provided that an alternate to the chairman or deputy chairman of the Board shall not exercise the functions and powers or perform the duties of the chairman or deputy chairman, as the case may be.

6. Conditions of office of members

- (1) A member shall, subject to this Part, hold office for such period, not exceeding three years, as the Minister may fix on his appointment.
- (2) Subject to section thirteen, a member shall hold office on such conditions as the Minister may in his case fix.
- (3) A retiring member shall be eligible for re-appointment as a member.

7. Disqualifications for appointment as member

The Minister shall not appoint a person as a member and no person shall be qualified to hold office as a member who—

- (a) is not a citizen of Zimbabwe permanently resident in Zimbabwe; or
- (b) has, or is married to a person who has, a financial interest in any business or is, or 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 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 creditors which has not been rescinded or set aside;or
- (d) has within the period of five years immediately preceding the date of his proposed appointment, been sentenced in any country to a term of imprisonment of or exceeding six months imposed without the option of a fine and has not received a free pardon.

8. Vacation of office by member

A member shall vacate his office and his office shall become vacant—

- (a) after the expiry of one month after the date upon which he gives notice in writing to the Minister of his intention to resign, or after the expiry of such other period of notice, as he and the Minister may agree; or
- (b) on the date he begins to serve a sentence of imprisonment the term of which is not less than six months, whether or not any portion has been suspended, imposed without the option of a fine in any country; or
- (c) if he becomes disqualified in terms of paragraph (a), (b) or (c) of section seven to hold office as a member;

or

- (d) if he is required in terms of section nine to vacate his office; or
- (e) if he is absent from three consecutive meetings of the Board without the Board's permission:
Provided that such member as given not less than seven days' notice of each such meeting.

9. Minister may require member to vacate office

The Minister may require a member to vacate his office if the Minister is satisfied that the member—

- (a) has been guilty of improper conduct as a member; or
- (b) has failed to comply with the conditions of his office fixed by the Minister in terms of subsection (2) of section six; or
- (c) is mentally or physically incapable of efficiently performing his duties as a member.

10. Filling of vacancies on Board

On the death of, or the vacation of office by, a member, the Minister shall appoint a person to fill the vacancy until the on Board expiry of the period during which the member would, but for his death or the vacation of his office, have continued in office:

Provided that, if the member would, but for his death or the vacation of his office, have continued to hold office for less than six months, the Minister need not appoint a person to fill the vacancy.

11. Meetings and procedure of Board

- (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 otherwise regulate its meetings and procedure as it thinks fit:

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

- (2) The chairman of the Board may himself at any time and shall, at the request in writing of not less than two members, convene a special meeting of the Board, which meeting shall be convened for a date not less than seven days nor more than thirty days after receipt of such request.
- (3) If at a meeting of the Board the chairman and the deputy chairman are both absent, the members present may elect one of their number to preside at that meeting as chairman.
- (4) A majority of members shall form a quorum at a meeting of the Board.
- (5) All acts, matters or things authorized 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.
- (6) At all meetings of the Board each member present shall, subject to the provisions of section fifteen, have one vote on a question before the Board and, in the event of an equality of votes, the chairman shall have, in addition to a deliberative vote, a casting vote.
- (7) Any proposal circulated among all members and agreed to in writing by a majority of all members shall be of the same force and 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, the provisions of this subsection shall not apply to such proposal.

12. Committees of Board

- (1) For the better exercise of its functions and powers the Board may establish one or more committees in which may be vested and on which may be imposed such of the functions and powers of the Board as the Board, with the consent of the Minister, may direct:

Provided that—

- (i) the vesting in, or imposition on, a committee of any such functions and powers shall not divest the Board of such functions and powers; and
 - (ii) the Board may amend or withdraw any decision of any such committee in the exercise of its functions and powers.
- (2) The procedure of a committee of the Board shall be fixed by the Board.
- (3) The chairman of the Board may at any time and place convene a meeting of a committee of the Board.
- (4) The Board—
- (a) shall appoint to any committee established in terms of subsection (1) not less than one member of the Board;
 - (b) shall appoint as chairman of any such committee the member or one of the members of the Board appointed in terms of paragraph (a);
 - (c) may appoint as members of any committee established in terms of subsection (1), on such terms and conditions as the Board may fix, persons who are not members of the Board.

13. Remuneration and expenses of members of Board and members of committees

A member of the Board or of any committee of the Board shall be paid from the funds of the Corporation—

- (a) such remuneration, if any, as the Minister may in his case fix; and
- (b) such allowance as the Minister may fix to meet any reasonable expenses incurred by him in connection with the business of the Board or that committee, as the case may be.

14. Right of certain officers to attend meetings of Board or committees

Such officers of the Public Service as the Minister may designate shall be entitled to attend meetings and to take part in the proceedings of the Board or of a committee established in terms of section twelve as if they were members thereof but shall not have a vote on any question before the Board or committee, as the case may be.

15. Members to declare connection with companies and firms dealing with Corporation

- (1) If a member or his spouse—
- (a) tenders for or acquires or holds a direct or indirect pecuniary interest in a contract with the Corporation; or
 - (b) knowingly acquires or holds a direct or indirect pecuniary interest in a company or association of persons applying or negotiating for a contract with the Corporation; or
 - (c) owns immovable property or a right in immovable property or a direct or indirect pecuniary interest in a company or association of persons which results in his private interests coming or appearing to come into conflict with his duties as a member;
- the member shall forthwith disclose the fact to the Board.
- (2) A member referred to in subsection (1) shall take no part in the consideration or discussion of, or vote on, any question before the Board which relates to any contract, right, immovable property or interest referred to in that subsection.

- (3) The general manager appointed in terms of section twenty-four shall take no part in the consideration or discussion of any question before the Board which relates to the terms and conditions of his appointment as general manager.

16. Validity of decisions and acts of Board

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) the Board consisted of less than the minimum number of persons for which provision is made in subsection (1) of section five; or
- (b) a disqualified person acted as a member at the time the decision was taken or the act was done or authorized.

17. Execution of contracts and instruments by Corporation

An agreement, contract or instrument approved by the Board may be entered into or executed on behalf of the Corporation by any person or persons generally or specially authorized by the Board for that purpose.

18. Transaction of business of an urgent nature

If it is impracticable to hold a meeting of the Board for the transaction of business of an urgent nature, the chairman of the Board, after consulting such of the other members as is practicable in the circumstances, may deal with the business himself and, as soon as may be thereafter, give to the Board full particulars of the nature and extent of the urgency of the business, of the circumstances in which the urgency arose and of the action that was taken by him in the matter.

19. Minutes of proceedings of Board and committees

- (1) The Board shall cause minutes of all proceedings of and decisions taken at a 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 subsection (1) which purport to be signed by the chairman of the meeting to which the minutes relate or by the chairman of the next following 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.

Part III – Functions, powers and duties of Corporation

20. Functions and duties of Corporation

Subject to this Act and the Mines and Minerals Act [Chapter 21:05], the functions and duties of the Corporation shall be—

- (a) to invest in the mining industry in Zimbabwe on behalf of the State;
- (b) to plan, co-ordinate and implement mining development projects on behalf of the State;
- (c) to engage in prospecting, exploration, mining and mineral beneficiation programmes;
- (d) to encourage and undertake the formation of mining co-operatives;
- (e) to render assistance to persons engaged in or about to engage in mining;
- (f) to review annually the general economic conditions and prospects of the mining industry and in particular investment schemes;
- (g) to advise the Minister on all matters connected with corporate investments in the mining industry and

make recommendations for the proper co-ordination of all investment programmes;

- (h) to carry out any other functions and duties which may be imposed upon the Corporation by any enactment.

21. Reports of Corporation

- (1) In addition to any annual report which the Corporation is required to submit to the Minister in terms of the Audit and Exchequer Act [*Chapter 22:03*], the Corporation—
- (a) shall submit to the Minister such other reports as the Minister may require;
 - (b) may submit to the Minister such other reports as the Corporation may deem advisable;
- in regard to the operations, undertakings and property of the Corporation.
- (2) The Corporation shall give to the Minister all such information relating to the undertakings of the Corporation as the Minister may at any time require.
- (3) The Minister may lay a report submitted to him by the Corporation in terms of subsection (1) before Parliament.

22. Powers of Corporation

Subject to this Act, the Corporation shall, for the better exercise of its functions, 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 Schedule, either absolutely or conditionally and either solely or jointly with others.

23. Principles to be observed by Corporation

It shall be the duty of the Corporation so to exercise—

- (a) that every application or proposal dealt with by it is considered strictly in accordance with Government economic policy;
- (b) that all matters relating to the mining industry are carefully reviewed in the national interest; and
- (c) that generally the activities of the Corporation referred to in section twenty are directed towards implementing Government mining development policy.

24. Appointment of general manager

- (1) The Corporation—
- (a) shall appoint, subject to this Act and on such terms and conditions as the Board deems fit, a person approved by the Minister to be the general manager in whom, subject to the control of the Board, shall be vested the management of the operations, undertakings and property of the Corporation;
 - (b) may, with the approval of the Minister, assign to the general manager such of the functions and powers of the Corporation as the Board deems fit.
- (2) No person shall be appointed as general manager and no person shall be qualified to hold office as general manager if he is not a citizen of Zimbabwe permanently resident in Zimbabwe.
- (3) The appointment of the general manager shall be terminated if he would be required in terms of paragraph (b) or (c) of section eight to vacate his office had that section and paragraphs (b) and (c) of section seven applied to him.
- (4) The general manager of the Corporation shall have the right to attend meetings and take part in the proceedings of the Board as if he were a member but shall not have a vote on a question before the Board.

25. Minister may give Corporation directions in national interest

- (1) The Minister may, after consultation with the Board, give to the Corporation such directions of a general character relating to the exercise by it of its functions, duties and powers as appear to the Minister to be requisite in the national interest.
- (2) The Corporation shall, with all due expedition, comply with any direction given to it in terms of subsection (1).

Part IV – Issue of shares and debentures by Corporation

26. Authorized share capital of Corporation

- (1) The authorized share capital of the Corporation shall be one hundred and eighty million dollars divided into one hundred and eighty million shares of one dollar each.
- (2) With the approval of the Minister and the Minister responsible for finance, the Board may by resolution increase the authorized share capital of the Corporation.
- (3) Where the Board has increased the authorized share capital of the Corporation in terms of subsection (1), the Minister shall cause the increase to be notified in the *Gazette*.

27. Allotment, issue and transfer of shares of Corporation

- (1) Fifty-four million of the Corporation's shares shall be allotted to the State, subject to such terms and conditions as may be determined by the Minister and the Minister responsible for finance in consultation with the Board.
- (2) Subject to subsection (5), the remainder of the Corporation's shares may be issued to the State and additionally, or alternatively, to persons other than the State, in such circumstances and subject to such terms and conditions as may be determined by the Board with the approval of the Minister and the Minister responsible for finance.
- (3) Terms and conditions under which the Corporation's shares are allotted or issued to the State may include terms and conditions—
 - (a) for payment to be made out of moneys appropriated for the purpose by Act of Parliament; or
 - (b) after consultation with the Board, for the value of all or any of the shares to be set off against loans previously granted to the Corporation by the State; or
 - (c) for all or any of the shares to be allotted or issued in consideration for the writing off of loans previously granted to the Corporation by the State; or
 - (d) for all or any of the shares to be allotted or issued in consideration for capital grants previously made to the Corporation by the State.
- (4) Subject to subsection (5), the Corporation's shares may be transferred by the holders subject to such terms and conditions as may be prescribed or as may be determined by the Minister and the Minister responsible for finance in consultation with the Board:

Provided that no fresh restrictions shall be imposed on the transferability of any share while it is held by a person other than the State.
- (5) At all times at least fifty-one *per centum* of the Corporation's issued share capital shall be held by the State.

28. Liability of shareholders

The liability of the holder of a share issued by the Corporation shall be limited to the amount, if any, unpaid on the share.

29. Issue of debentures

- (1) The Corporation may issue debentures, which may be taken up in such circumstances and under such terms and conditions as the Minister and the Minister responsible for finance may determine.
- (2) Debentures may be issued by the Corporation to the State in respect of any loan previously granted by the State to the Corporation.
- (3) Subject to subsection (2), debentures taken up by the State shall be paid for out of moneys appropriated for the purpose by Act of Parliament.
- (4) The Corporation's debentures may be transferred subject to such terms and conditions as may be determined by the Minister and the Minister responsible for finance in consultation with the Board:

Provided that no fresh restrictions shall be imposed on the transferability of any debenture while it is held by a person other than the State.

Part V – Financial provisions relating to Corporation

30. Conduct of financial affairs of Corporation

It shall be the object of the Corporation so to exercise its functions and conduct its business as to ensure that in each financial year its income is sufficient—

- (a) to meet the expenditure of the Corporation properly chargeable to revenue in that year; and
- (b) to enable the Corporation to make provision for any taxes, duties or rates for which it is liable; and
- (c) to permit the redemption on due date of the Corporation's debentures and other loan capital; and
- (d) to enable the Corporation to make such appropriations to its general reserve in terms of section thirty-six as may be necessary or desirable; and
- (e) to permit the payments referred to in section thirty-three;

and in general the Corporation shall conduct its business on sound commercial lines.

31. Capital of Corporation

The capital of the Corporation shall consist of—

- (a) the share capital of the Corporation; and
- (b) any other moneys or assets that may vest in or accrue to the Corporation as capital, whether in the course of its operations or otherwise.

32. Revenues of Corporation

The revenues of the Corporation shall consist of any moneys, other than moneys referred to in section thirty-one, that may accrue to the Corporation, whether in the course of its operations or otherwise.

33. Dividends, special dividends and repayment of capital

- (1) In this section—

“Accountant-General” means the person appointed as such in terms of section 9 of the Public Finance Management Act [Chapter 22:19] (No. 11 of 2009);

“depletion fee”, in relation to a mineral marketed by the Minerals Marketing Corporation, means a fee ordinarily payable to the Minerals Marketing Corporation in consideration for the depletion of the mineral in respect of which it is paid;

“diamond” means a natural mineral consisting of pure crystallised carbon in isometric system, with a hardness on the Mobs (scratch) scale of 10, a specific gravity of approximately 3.25 and a refractive index of 2.24;

“Minerals Marketing Corporation” means the Minerals Marketing Corporation of Zimbabwe established by section 3 of the Minerals Marketing Corporation Act [Chapter 21:04];

“gross value of the proceeds of the sale of diamonds” means the full value of such proceeds before any deduction by the Corporation and the Minerals Marketing Corporation, including any deduction that the Minerals Marketing Corporation would have been entitled, but for subsection (3), to make in terms of section 48 (“Commission and expenses of Corporation”) of the Minerals Marketing Corporation Act [Chapter 21:04], and any deduction of depletion or other fees;

“Reserve Bank” means the Reserve Bank of Zimbabwe referred to in section 4 of the Reserve Bank of Zimbabwe Act [Chapter 22:15] (No. 5 of 1999);

“special dividend” means the special dividend on the sales of diamonds by or on behalf of the Corporation that is payable in terms of subsection (3).

- (2) Where in a financial year the revenues of the Corporation are more than sufficient—
- (a) to meet the expenditure of the Corporation properly chargeable to revenue in that year; and
 - (b) to enable the Corporation to make provision for any taxes, duties or rates for which it is liable; and
 - (c) to permit the redemption on due date of the Corporation’s debentures and other loan capital; and
 - (d) to enable the Corporation to make such appropriations to its general reserve in terms of [section 30](#) as are necessary or desirable;

the Corporation shall pay out of the surplus such dividends to its shareholders as the Board may determine in relation to that year.

- (3) Notwithstanding subsection (2), whenever the Corporation sells diamonds, whether on its own account or on behalf of any person with which or with whom it is in a joint venture or other association or arrangement for the exploration, extraction, exploitation, beneficiation or sale of diamonds, the Minerals Marketing Corporation shall, on behalf of the Corporation, pay to the Consolidated Revenue Fund a special dividend of fifteen per centum, of the gross value of the proceeds of the sale of the diamonds.
- (4) Subject to any Treasury instruction or interim directive referred to in subsection (5) or (11), the special dividend shall be payable no later than twenty-four hours after the acquittance by the Minerals Marketing Corporation of the export documentation relating to the sale of any batch of diamonds.
- (5) The Accountant-General may, on behalf of the Treasury, issue instructions under section 78 (“Treasury instructions or directions”) of the Public Finance Management Act [Chapter 22:19] (No. 11 of 2009), to the following persons and on the following matters—
- (a) to the Corporation and the Minerals Marketing Corporation on the manner of accounting for the proceeds of sales of diamonds;
 - (b) to the Corporation and the Minerals Marketing Corporation on the manner of payment of the special dividend;
 - (c) to the Reserve Bank on the opening or operation of any special account into which special dividends must be deposited and the disbursements therefrom made;
 - (d) to the Corporation, the Minerals Marketing Corporation and the Reserve Bank prescribing the maximum period—
 - (i) between the conclusion of any agreement for the sale of any batch of diamonds and the payment for them;
 - (ii) between the payment for any batch of diamonds and the acquittance by the Minerals

Marketing Corporation of the export documentation relating to such payment;

- (iii) between the acquittance by the Minerals Marketing Corporation of the export documentation relating to the sale of diamonds and the payment to the Consolidated Revenue Fund of the special dividend related to the sale.
- (6) The Governor of the Reserve Bank shall issue directives in terms of the Exchange Control Act [Chapter 22:05] to the Corporation, the Minerals Marketing Corporation or any other person or class of persons who, in terms of regulations made under Minerals Marketing Corporation Act [Chapter 21:04], are exempted from compliance with all or any of the provisions of Part VI of that Act, on the following matters—
- (a) the requirement of prior exchange control authority before the export of diamonds, including the related requirements that applications for such authority must be accompanied by—
 - (i) a diamond valuation certificate issued by the Minerals Marketing Corporation of Zimbabwe relating to the sale of the diamonds in question;
 - (ii) a pro forma invoice relating to the sale of the diamonds in question;
 - (iii) a statement of the weight of the diamonds in question.
 - (iv) a statement of the gross and net value of the diamonds in question;
 - (b) the obligations on the part of the Reserve Bank to expedite the processing of exchange control authority for the export of any batch of diamonds in a timeous and expeditious manner.
- (7) Notwithstanding anything to the contrary in this Act or the Minerals Marketing Corporation Act, it shall be the duty of—
- (a) the general manager of the Corporation to comply with any Treasury instruction or Exchange Control directive issued to the Corporation in terms of subsection (5) or (6);
 - (b) the general manager of the Minerals Marketing Corporation to comply with any Treasury instruction or Exchange Control directive issued to the Minerals Marketing Corporation in terms of subsection (5) or (6);
- and in each case the general manager of the Corporation or of the Minerals Marketing Corporation must comply with the Treasury instruction or Exchange Control directive within the period specified in that instruction or directive, unless the general manager concerned, in writing to the Accountant-General or the Governor of the Reserve Bank (as the case may be), satisfies the Accountant-General or the Governor that a longer time for compliance in a particular case is justified or may be required.
- (8) If the general manager of the Corporation or of the Minerals Marketing Corporation to which a Treasury instruction is issued in terms of subsection (5) fails to comply with it or to comply with it timeously, he or she 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.
 - (9) If the general manager of the Corporation or of the Minerals Marketing Corporation to whom an Exchange Control directive is issued in terms of subsection (6) fails to comply with it timeously, he or she shall be subject to the penalties provided under Exchange Control Act [Chapter 22:05] for the breach of any directive issued by the Governor of the Reserve Bank under that Act.
 - (10) Treasury instructions referred to in subsection (5) require the prior approval of the Minister responsible for Finance in accordance with section 78(3) of the Public Finance Management Act [Chapter 22:19] (No. 11 of 2009), in order to be effective; however, despite that section, they do not require to be published beforehand as a statutory instrument or general notice in the *Gazette*, as long as they are so published within thirty days of being issued.
 - (11) Until such time as Treasury instructions referred to in subsection (5) are issued, the Corporation and the Minerals Marketing Corporation and their general managers shall comply with such written interim directives as the Governor of the Reserve Bank may issue to them under the authority of this subsection

on the matters for which Treasury instructions may be issued under subsection (5).

- (12) Interim directives referred to in subsection (11)—
- (a) in order to be effective—
 - (i) require the prior approval of the Minister responsible for Finance; and
 - (ii) must be published beforehand as a statutory instrument or general notice in the *Gazette*, or within thirty days of being issued;
 - (b) shall be treated for the purposes of subsections (7) and (8) as if they were Treasury instructions, that is to say, any breach thereof on the part of the general manager of the Corporation or Minerals Marketing Corporation shall be a contravention of subsection (8).
- (13) The Minister responsible for Mines may, by notice in a statutory instrument, extend the provisions of subsections (3) to (12) to any other precious stone or precious metal specified in the notice.

[section inserted by Act 1 of 2014]

34. Investments and loans by Corporation

- (1) Moneys not immediately required by the Corporation may be invested in such manner as the Board may determine, subject to any directions given by the Minister acting on the advice of the Minister responsible for finance.
- (2) Without derogation from subsection (1), the Board may and, if directed to do so by the Minister acting on the advice of the Minister responsible for finance, shall make loans out of the Corporation's revenues or accumulated revenues, to any statutory corporation, on such terms and conditions as may be approved by the Minister and the Minister responsible for finance.

35. Corporation to make certain charges to revenue account

- (1) The Corporation shall charge to its revenue account all charges which, in the normal conduct of business, are regarded as proper to be charged to revenue account and, in so doing, shall make in each financial year proper provision for—
- (a) the depreciation or diminution in value of assets; and
 - (b) the payment of interest on and all other charges and expenses incurred in connection with loans and debentures; and
 - (c) the redemption of loans at due times to the extent that such redemption exceeds provisions for depreciation.
- (2) In charging to its revenue account all charges which in the normal conduct of business are regarded as proper to be charged to revenue account as provided in subsection (1), the Corporation may, in each financial year, make provision for—
- (a) meeting, in whole or in part, increases in the cost of replacing assets to an extent approved by the Minister, after consultation with the Minister responsible for finance;
 - (b) making payments to an insurance fund established by the Corporation to meet, in whole or in part, such liabilities of the Corporation as the Minister may approve;
 - (c) making payments to a pension fund established by the Corporation to meet, in whole or in part, superannuation liabilities of the Corporation.

36. Establishment and operation of general reserve

- (1) The Corporation shall establish a general reserve to which, subject to this Part, may be appropriated from

a surplus of income over expenditure at the end of its financial year such sums as the Minister may approve.

- (2) Subject to this Part, moneys in the general reserve established in terms of subsection (1) may, with the approval of the Minister, be used for such purposes as the Board may consider expedient for the proper exercise by the Corporation of its functions including the development of its assets.
- (3) The Board shall comply with any directions which the Minister may give in relation to the management of the general reserve established in terms of subsection (1).
- (4) Moneys in the general reserve established in terms of subsection (1) shall not be reduced, without the approval of the Minister, below such an amount as the Minister may fix, otherwise than for the purpose of meeting a deficiency as is provided in subsection (1) of section thirty-seven.

37. Meeting of deficiencies

If in any financial year the income of the Corporation together with any surplus income brought forward from a previous financial year, is insufficient to enable the Corporation to meet the charges and to make the provisions required by section thirty-five, the deficiency shall, unless the Minister otherwise directs, be met from the general reserve established in terms of section thirty-six.

38. Financial year of Corporation

The financial year of the Corporation shall be the period of twelve months ending on the 30th June in each year or on such other date as may be prescribed.

39. Accounts of Corporation

- (1) The Corporation shall keep proper accounts and other records relating thereto in respect of all its operations, undertakings and property, including such particular accounts and records as the Minister may direct.
- (2) The Corporation shall prepare and submit to the Minister a statement of accounts in respect of each financial year or such period as the Minister may direct.

40. Audit of accounts of Corporation

- (1) The Corporation shall appoint as auditors one or more persons approved by the Minister who are registered as public auditors in terms of the Public Accountants and Auditors Act [Chapter 27:12].
- (2) The accounts of the Corporation kept in terms of subsection (1) of section thirty-nine shall be examined by the auditors appointed in terms of subsection (1).
- (3) The auditors appointed in terms of subsection (1) shall make a report to the Board and the Minister on the statement of accounts prepared in terms of subsection (2) of section thirty-nine and such report shall state whether or not in their opinion the statement of accounts gives a true and fair view of the state of the financial affairs of the Corporation.
- (4) In addition to the report referred to in subsection (3), the Minister may require the Board to obtain from the auditors appointed in terms of subsection (1) such other reports, statements or explanations in connexion with the operations, undertakings and property of the Corporation as the Minister may consider expedient.
- (5) If, in the opinion of the auditors appointed in terms of subsection (1)—
 - (a) they have not obtained the information and explanations they require; or
 - (b) any accounts and records relating thereto have not been properly kept by the Corporation; or
 - (c) the Corporation has not complied with the provisions of this Part;

the auditors shall include in the report made in terms of subsection (3) or (4), as the case may be, statements to that effect.

41. Powers of auditors

- (1) The auditors appointed in terms of subsection (1) of section forty shall be entitled at all reasonable times to require to be produced to them all accounts and other records relating thereto kept by the Corporation or its agents and to require from any member or person employed by the Corporation or its agents such information and explanations as in their opinion are necessary for the purposes their audit.
- (2) Any member or employee or agent of the Board who fails without just cause to comply with a requirement of an auditor in terms of subsection (1) shall be guilty of an offence and liable to a fine not exceeding level four or imprisonment for a period not exceeding three months or to both such fine and such imprisonment.

[subsections as amended by section 4 of Act No. 22 of 2001]

Part VI – General

42. Investigation into affairs of Corporation

- (1) The Minister may at any time cause an investigation to be made into the affairs of the Corporation by one or more persons appointed by him in writing.
- (2) Any person appointed in terms of subsection (1) shall have the same powers as are conferred upon a commissioner by the Commissions of Inquiry Act [Chapter 10:07], other than the power to order a person to be detained in custody, and sections 9 to 13 and 15 to 19 of that Act shall apply, *mutatis mutandis*, in relation to an investigation made in terms of subsection (1) and to any person summoned to give or giving evidence at that investigation.

43. Proceedings on failure of general manager, Board or Corporation to comply with Act

- (1) If at any time the Minister is satisfied that the general manager of the Corporation, the Board or the Corporation has failed to comply with the provisions of this Act, he may, by notice in writing, require the general manager, the Board or the Corporation, as the case may be, to make good the default within a specified time.
- (2) If the general manager, the Board or the Corporation fails to comply with a notice issued in terms of subsection (1), the Minister may apply to the High Court for an order compelling the general manager, the Board or the Corporation, as the case may be, to remedy the default and the High Court may make such order on the application as it thinks fit.

44. Regulations

- (1) The Minister may, after consultation with the Board, make regulations prescribing anything which in terms of this Act is to be prescribed or which, in his opinion is necessary or convenient to be prescribed for carrying out or giving effect to the provisions of this Act.
- (2) Regulations made in terms of subsection (1) may provide for—
 - (a) the reduction of the share capital of the Corporation;
 - (b) the application, subject to such modifications as may be specified, of any of the provisions of the Companies Act [Chapter 24:03] in relation to the Corporation's shares and debentures.
- (3) Regulations shall not be made in terms of subsection (1) in relation to the Corporation's shares and debentures without the approval of the Minister responsible for finance.

Schedule (Section 22)

Powers of corporation

1. To acquire premises necessary or convenient for the exercise of its functions and the performance of its duties and for that purpose to buy, take on lease or in exchange, hire or otherwise acquire immovable property and interests therein and rights over the same and concessions, grants, rights, powers and privileges in respect thereof.
2. To buy, take in exchange, hire or otherwise acquire movable property necessary or convenient for the exercise of its functions and the performance of its duties.
3. To maintain, alter or improve property acquired by it.
4. To mortgage any assets or part of any assets and, with the approval of the Minister, to sell, exchange, lease, 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 or the performance of its duties for such consideration as it may determine.
5. To draw, make, accept, endorse, discount, execute and issue for the purposes of its functions or duties 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 make contracts and enter into suretyships or give guarantees in connexion with the exercise of its functions or the performance of its duties and to modify or rescind such contracts or rescind such suretyships or guarantees.
8. With the approval of the Minister, to enter into, renew, cancel or abandon arrangements with any Government or authority, local or otherwise, that may seem conducive to the exercise of its functions or the performance of its duties or any of them and to obtain from such Government or authority rights, privileges and concessions which it thinks desirable to obtain and carry out, exercise and comply with such arrangements, rights, privileges and concessions.
9. With the approval of the Minister and the Minister responsible for finance—
 - (a) to raise loans or borrow money, by the issue of debentures or debenture stock or otherwise, in such amounts and for such purposes and under such conditions as may be approved by those Ministers;
 - (b) to establish and administer such funds and reserves not specifically provided for in this Act as the Board may consider appropriate or necessary for the proper exercise of the functions and powers and discharge of the duties of the Corporation.
10. To employ, upon such terms and conditions as the Board may deem fit, such persons, as may be necessary for conducting the affairs of the Corporation and suspend or discharge any such persons.
11. To pay such remuneration and allowances and grant such leave of absence and, with the approval of the Minister, to make such gifts, bonuses and the like to its employees as it considers fit.
12. To provide pecuniary 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 dependants, and for that purpose to effect policies of insurance, establish pension or provident funds or make such other provisions as may be necessary to secure for its employees and their dependants any or all of the pecuniary benefits to which the provisions of this paragraph relate.
13. To purchase, take on lease or in exchange or otherwise acquire land or dwelling houses for use or occupation by its employees.
14. To construct dwellings, outbuildings or improvements for use or occupation by its employees on land purchased, taken on lease or in exchange or otherwise acquired by the Corporation.

15. To sell or lease dwelling-houses and land for residential purposes to its employees.
16. To make or guarantee loans made to its employees or their spouses for the purchase of dwelling-houses or land for residential purposes, the construction of dwelling-houses and the improvement of dwelling-houses or land which are the property of its employees or their spouses.
17. To provide security in respect of loans such as are described in paragraph 16 by the deposit of securities, in which the Corporation may invest such moneys as the Board may deem necessary for the purpose.
18. To make loans to any employee of the Corporation—
 - (a) for the purpose of purchasing vehicles, tools or other equipment to be used by him in carrying out his duties; or
 - (b) not exceeding three months' salary or wages payable to him, for any purpose;on such security as the Board considers adequate.
19. To do anything for the purpose of improving the skill, knowledge or usefulness of its employees, and in that connexion to provide or assist other persons in providing facilities for training, education and research.
20. With the approval of the Minister, to promote, establish or acquire companies or other undertakings and, in connexion with any such company or other undertaking—
 - (a) to manage it and to act as secretary thereof;
 - (b) to appoint any person to act on behalf of the Corporation as a director thereof or in any other capacity in relation thereto.
21. With the approval of the Minister, to acquire an interest in, to provide by underwriting or otherwise or to assist in the subscription of capital for or to guarantee the obligations of a company, whether promoted by the Corporation or otherwise, engaged in or proposing to establish, expand or modernize any undertaking relating to the production, refining, smelting or processing of minerals.
22. To recommend to the Minister that any property be acquired for development or utilization in the national interest for mining purposes.
23. With the approval of the Minister and the Minister responsible for finance—
 - (a) to provide financial assistance to any institution or person whose activities or part of whose activities are such as to be, in the opinion of the Board, of benefit to the Corporation or to the mining industry or any part or that industry;
 - (b) to grant such scholarships or bursaries as the Board considers to be in the interest of the mining industry as a whole or any part thereof;on such terms and conditions as the Board may fix in any particular case.
24. With the approval of the Minister, to engage in, establish, operate or manage schemes for—
 - (a) the training of persons engaged or to be engaged in any part of the mining industry;
 - (b) mining or mineral research;
 - (c) the refining, smelting or other processing of minerals.
25. To do anything which by this Act is required or permitted to be done by the Corporation.
26. To associate with, participate in or enter into joint or other ventures with individuals, associations or other bodies or corporations in the development of the mining industry in Zimbabwe.
27. Generally to do all such things as are calculated to facilitate or are incidental or conducive to the performance of the functions of the Corporation or the exercise of its powers in terms of this Act or any other enactment.