



MOIRA MUKUKA

LEGAL PRACTITIONERS

Zambia Mining Policy 2022 - 2027

WHAT WE OFFER

We offer a wide range of services to clients in the mining industry. Our specialised team offers commercial and practical legal advice that helps resolve problems.

- Mining Title Review and Title Opinions
- Mining Regulation and Compliance
- Mergers & Acquisitions
- Mining Finance Transactions
- Environmental, Occupational Health and Safety
- Tenement Acquisition
- Mining Due Diligence
- Option or Earn-In Arrangements
- Capital Markets Transactions
- Strategic regulator engagements
- Mining Offtake and Supply Contracts
- Royalty Agreements
- Mining Title Transfers
- Land Access
- Joint Ventures, Earn-Ins
- Local Content and Indigenization
- Dispute Resolution
- Trade in Minerals



**National Mineral
Resources
Development Policy
2022 - 2027**

Rationale

- **Accelerate and maximize benefits from identified and potential mineral resources**

- **Close Regulatory Gaps**



**Accelerate
benefits from
identified and
potential
resources**

Exploration

45% of Zambia's land mass is yet to be geologically mapped. Most of the remaining **55%** was mapped before **1998**.

These two factors have hampered the discovery of new mineral deposits and the opening of large-scale mines in recent times.

Government plans to work with the private sector to conduct geological mapping of the unmapped land mass and increase copper output to 3million metric tonnes by 2031 and to achieve mineral diversity, with special attention given to gold and minerals required for renewable energy and other green technologies.

The Policy also highlights Government intent to encourage increased private sector participation in mineral exploration and other mining activities through the use of PPPs. Government has been in the process of revising the PPP framework since 2022, **and it is expected that a new law will be in place by mid 2023**.

Speculative holders


- **The Policy recognises that most of the mining rights are held speculatively and very few are active. This has also led to the non-discovery of additional deposits. To address this, government will create frameworks for monitoring and evaluation, and increase the use of ICTs and remote sensing technologies in monitoring exploration and mining activities.**

Local Participation

- **The Policy recognises that most large-scale exploration and mining licenses are foreign owned, with limited participation by Zambians. This is attributed to several factors, including lack of access to affordable capital and modern technologies.**
- **Government will develop mechanisms to promote local materials, products, contractors, suppliers and service providers in the mining value chain and will encourage partnerships between foreign and local entities.**
- **Artisanal and small-scale mining sector will receive special attention from government to ensure it is formalised by forming mining cooperatives in the exploitation of gold, manganese, copper, gemstones and industrial minerals. Government will facilitate access to markets, capital, modern equipment and partnerships with local and foreign investors.**

Licensing

- **The perceived lack of transparency in the licensing process led to the closure and suspension of the mining cadastre in 2022 for an audit of all licences.**
- **Government aims to introduce reforms to improve efficiency, transparency, effectiveness and accountability. These reforms will include an enhanced use of ICTs in the licensing process and development of integrated management information systems.**



Close Regulatory Gaps

Mining Commission

- **The new law will establish a Mining Commission, which will serve as an independent regulatory body for the sector. This is aimed at improving enforcement of licence conditions and reporting obligations.**

Restructure and Expand the Ministry of Mines

- **The supervisory capacity of the Ministry will be expanded by establishing the Ministry's presence in all major exploration and mining districts in Zambia.**

Mining Taxation

- **Pending the full review and re-enactment of the Mines Act, Zambia has amended the tax provisions by making mineral royalty a deductible expense.**

Amend complimentary legislation

- **All legislation that generally affects the mining industry is undergoing review. Key among these is the Climate Change Act which is expected to be enacted by June 2023.**
- **However, the Mines Act may only be amended much later in the year while the policy implementation has already begun.**



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