

Zambia

## Investment Act, 1993

### Chapter 385

Legislation as at 27 March 1997

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# Zambia

## Investment Act, 1993

### Chapter 385

Published

**Commenced on 8 September 1993**

*[This is the version of this document as it was from 27 March 1997 to 31 March 1998.]*

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*[Amended by Investment Act (Amendment) Regulations, 1997 (Statutory Instrument 39 of 1997) on 27 March 1997]*

*[Act No. 39 of 1993; 13 of 1994; 26 of 1995; 5 of 1996]*

**An Act to revise the law relating to Investment in Zambia so as to provide a comprehensive legal framework for investment in Zambia; to repeal the Investment Act, 1991; and to provide for matters connected with or incidental to the foregoing.**

### Part I – Preliminary

#### 1. Short title

This Act may be cited as the Investment Act.

#### 2. Interpretation

In this Act, unless the context otherwise requires—

"**Board**" means the Investment Board of the Centre established by section six;

"**bonded factory**" means a factory which is a warehouse, bonded and licensed in terms of section fifty-five of the Customs and Excise Act, in which goods may be lodged, kept and secured without the payment of duty or until the requirements of that Act have been satisfied, and includes any store, house shed, yard, or other place in which goods are so lodged;

[Cap. 322]

"**business enterprise**" includes any undertaking, carrying on business in the field of manufacturing, agriculture, transport, communications, construction, tourism and services or know-how;

"**Centre**" means the Investment Centre constituted under section four;

"**Chairman**" means the person elected Chairman of the Board;

"**Commissioner**" means the Commissioner of Taxes appointed under the Income Tax Act;

[Cap. 323]

"**Controller**" means the Controller of Customs and Excise appointed under the Customs and Excise Act;

[Cap. 322]

"**Director-General**" means the chief executive officer of the Centre appointed by the Board;

"**economic development zone or export processing zone**" means any area declared to be an economic development zone or export processing zone under section twenty-eight;

**"foreign investment"** means investment brought in by an investor from outside, and invested in Zambia;

**"investment"** means contribution of capital, in cash or in kind, by an investor, to a new business enterprise, to the expansion or rehabilitation of an existing business enterprise or to the purchase of an existing business enterprise from the State;

**"investor"** means any person, natural or juridical, whether a Zambian citizen or not, investing in Zambia in accordance with the provisions of this Act;

**"Investment Certificate"** means a certificate issued by the Board under section ten;

**"manufacturing"** means the transforming, on a commercial scale, of raw materials into finished or semi-finished products, and includes the assembling of inputs into finished or semi-finished products, but does not include mining;

**"member"** means a member of the Board;

**"mineral"** shall be construed in its general, extensive and comprehensive sense and shall include ore and mineral products, any substance whether in solid, liquid or gaseous form occurring naturally in or on the earth but shall not include public and private water when used for a primary, secondary or tertiary use as defined in the Water Act;

*[Cap. 198]*

**"mining"** means the winning of any mineral;

**"non-traditional products"** means products other than raw copper, lead, zinc or cobalt;

**"rural area"** means any area in Zambia other than Kabwe Urban District, Kafue Township, Livingstone District, Lusaka Urban District and the Copperbelt Province excluding therefrom Ndola Rural District;

**"Secretary"** means the Secretary to the Board.

### 3. Non-derogation from any other law

This Act shall be cumulative and in addition to, and not in derogation from, any other written law.

*[As amended by Act No. 26 of 1995]*

## Part II – Investment Centre and Board

### 4. Constitution of Investment Centre

Notwithstanding section thirty-nine, the Investment Centre as constituted under the Investment Act, 1991, shall continue to exist as if constituted under this Act.

*[Act No. 19 of 1991]*

### 5. Functions of Centre

- (1) The functions of the Centre shall be to promote, co-ordinate Government policies on, and facilitate, investment in Zambia, so as to provide a one-stop support facility to investors.
- (2) Notwithstanding the generality of subsection (1) the functions of the Centre shall be to—
  - (a) promote investment in Zambia;
  - (b) monitor the performance of enterprises approved by it and enforce compliance with the terms and conditions of investment certificates approved under this Act;
  - (c) establish and maintain institutional liaison arrangements;

- (d) assist in securing from any Ministry, government department, local authority or other relevant body any permission, exemption, authorisation, licence, bonded status, land and any other thing required for the purpose of establishing or operating a business enterprise;
- (e) keep records of all technology transfer agreements relating to investments under this Act;
- (f) provide consultancy services to investors;
- (g) collect and disseminate information on relevant laws and regulations, and technical matters, including applicable standards, specifications and quality control procedures;
- (h) undertake economic and sector studies, including market surveys, with a view to identifying investment opportunities;
- (i) register investors;
- (j) implement decisions made by the Board;
- (k) exercise all functions and powers and perform all duties which under or by virtue of this Act or any other written law are, or may be, vested or delegated to it; and
- (l) do all such things as are necessary or incidental or conducive to the functions specified in this Act.

## 6. Establishment of Board

- (1) There is hereby established the Investment Board of the Centre which shall be a body corporate with perpetual succession and a common seal, capable of suing and of being sued in its corporate name and with power, subject to the provisions of this Act, to do all such acts and things as a body corporate may by law do or perform.
- (2) The provisions of the First Schedule shall apply as to the constitution of the Board and otherwise in relation thereto.

## 7. Functions of Board

- (1) Subject to the other provisions of this Act, the Board shall be responsible for the affairs of the Centre.
- (2) Notwithstanding the generality of subsection (1) the Board shall—
  - (a) implement investment policies;
  - (b) formulate investment promotion strategies;
  - (c) establish investment guidelines for the Centre;
  - (d) issue investment certificates; and
  - (e) do all such things as are necessary or incidental to the better carrying out of the functions specified in this Act.

## Part III – Procedures for Investment in Zambia

### 8. Investment Certificate

Any person investing in a business enterprise may apply for an Investment Certificate under this Part:

Provided that in respect of the industries specified in the Second Schedule, the Board shall not issue an Investment Certificate to an investor until the investor obtains the necessary licences, authorisations, or permits from the relevant ministry or body.

## 9. Application for Investment Certificate

- (1) An application for an Investment Certificate in the form set out in the Third Schedule shall be made to the Director-General and shall be accompanied by a non-refundable fee determined by the Board.
- (2) The Director-General shall, on receipt of an application for an Investment Certificate, submit the application to the Board for its consideration at the next meeting of the Board.

## 10. Issue of Investment Certificate

- (1) The Board shall, within six weeks of receipt of an application for an Investment Certificate issue an Investment Certificate, with general or special incentives, as the case may be, in the form set out in the Fourth Schedule, if—
  - (a) the application is in accordance with the provisions of this Act; and
  - (b) the activity planned to be undertaken by the business enterprise does not contravene any laws and regulations in force in Zambia.
- (2) A decision of the Board in respect of an application for an Investment Certificate shall be communicated to the applicant, in writing, within fourteen days of the Board's decision:

Provided that a decision of the Board rejecting an application shall be accompanied by the reasons for the rejection.

## 11. Appeal from decision of Board

Any applicant for an Investment Certificate who is aggrieved by a decision of the Board rejecting the application may appeal to the Minister subject to a further appeal to the High Court.

## 12. Condition of Investment Certificate

An Investment Certificate issued under section ten shall—

- (a) authorise the holder thereof to make all necessary arrangements for the commencement of the business enterprise described therein;
- (b) contain terms and conditions of the certificate and any general or special incentives given; and
- (c) have unlimited period of validity, subject to it being utilised within twelve months from the date of issue.

## 13. Variation of Investment Certificate

- (1) The holder of an Investment Certificate may at any time during the validity of the certificate, apply to the Board for variation of the terms and conditions of the certificate, the incentives granted thereunder or any matter relating to the certificate.
- (2) The Board shall consider the application referred to in subsection (1) and may after negotiations, if any, grant or refuse such application.

## 14. Extension and surrender of Investment Certificate

- (1) Where the holder of an Investment Certificate is unable to commence operations within twelve months from the date of issue, he shall, at least sixty days before the expiry of his certificate, apply to the Board for an extension of that period, giving reasons thereof; and the Board shall, if satisfied with the reasons, extend the validity for such period as he may consider reasonable.
- (2) Where the holder of an Investment Certificate decides not to continue with any project to which the certificate relates, he shall so notify the Board in writing and shall agree with the Board the terms

and conditions of the surrender of the certificate with particular reference to anything done or any benefit obtained under the certificate.

- (3) Where the period of twelve months from the date of issue of an Investment Certificate has expired without the holder of the certificate commencing business operations and no application for its extension has been made in accordance with subsection (2) the certificate shall lapse and shall, subject to section seventeen, be cancelled and the holder of the licence shall cease to be entitled to any benefits obtainable under the certificate.

## 15. Transfer of Investment Certificate

- (1) An Investment Certificate shall not be transferred to a third party without the prior approval of the Board but such approval shall not be unreasonably withheld.
- (2) Every application for approval to transfer an Investment Certificate shall be made to the Board and the Board may, within thirty days of the application, approve the application, in accordance with this Act.

## 16. Amendment of Investment Certificate

The Board may amend an Investment Certificate—

- (a) where some other person has succeeded to the interest in the business enterprise belonging to the holder of the Investment Certificate, by substituting for the name of the holder the name of the successor, or
- (b) where the name of the business is altered, by substituting the name so altered.

## 17. Suspension or cancellation of Investment Certificate

- (1) Subject to the other provisions of this Act, the Board may suspend or cancel any Investment Certificate if the investor—
  - (a) obtained the Investment Certificate by fraud, deliberate or negligent submission of false information or statements;
  - (b) transfers or otherwise assigns an Investment Certificate without the prior approval of the Board;
  - (c) contravenes this Act or any terms and conditions of the certificate issued to him; or
  - (d) fails without reasonable cause to establish the business enterprise within the time stipulated in the certificate or any extension thereof.
- (2) The Board shall, before suspending or cancelling an Investment Certificate in accordance with subsection (1), give its written notice to the investor of its intention to suspend or cancel the Investment Certificate and the grounds for the suspension or cancellation and require the investor to show cause within a period of not more than thirty days why the certificate should not be suspended or cancelled.
- (3) The Board shall not suspend or cancel an Investment Certificate under this section if the investor takes remedial measures to the satisfaction of the Board within the period of thirty days referred to in subsection (2).
- (4) If the Investor notified under subsection (2) fails to show cause to the satisfaction of the Board or does not take remedial measures to the satisfaction of the Board within the time specified in that subsection, the Board may suspend or cancel the Investment Certificate.
- (5) Where an Investment Certificate is suspended, the holder of the certificate shall cease to be entitled to the rights and benefits conferred under this Act for the period of the suspension.



- (6) Where an Investment Certificate is cancelled the holder of the certificate shall cease to be entitled to the benefits conferred under this Act with effect from the date of such cancellation and shall return the licence to the Director-General.
- (7) Any person who is aggrieved by any decision of the Board under this section may appeal to the Minister subject to further appeal to the High Court.

## Part IV – General incentives

### 18. Qualification for general incentives

The general incentives provided in this Part shall apply to any investor investing in a business enterprise under this Act.

### 19. Income tax of non-traditional products

An investor shall be taxed on that portion of income which is determined by the Commissioner as originating from the export of non-traditional products at a rate of fifteen *per centum*.

### 20. Income from non-traditional products

An investor shall be taxed on that portion of income which is determined by the Commissioner General as originating from the export of non-traditional products at a rate of fifteen *per centum*.

### 21. Income tax on rural enterprises

An investor shall be taxed on income received from a rural enterprise for each of the first five charge years for which such business enterprise is carried on, reduced by such amount as is equal to one-seventh of that tax which would otherwise be so chargeable on such income.

### 22. Income tax allowances

- (1) An Investor shall be entitled to capital allowances which shall be deducted in ascertaining the gains or profits at the following special rates:
  - (a) buildings used for manufacturing, or hotels qualify for a wear and tear allowance of five *per centum* per year of the cost, plus an initial allowance of ten *per centum* of the cost in the year in which the building is first used;
  - (b) implements, machinery and plant used exclusively for farming, manufacturing or tourism qualify for a wear and tear allowance of fifty *per centum* per year of the costs in each of the first two years;
  - (c) capital expenditure on farm improvements qualify for a farm improvement allowance of twenty *per centum* of such expenditure for each of the first five years.
- (2) An Investor who incurs capital expenditure on the growing of tea, coffee, or banana plants, citrus fruit trees or other similar plants or trees, shall be entitled to a development allowance of ten *per centum* of such expenditure which shall be deducted in ascertaining the gains or profits of that business enterprise for the charge year up to the first year of production.
- (3) An Investor is entitled to a farm works allowance of one hundred *per centum* in respect of expenditure on farming land in his ownership or occupation, and for the purposes of farming, or stumping and clearing, works for the prevention of soil erosion, boreholes, wells, aerial and geophysical surveys, and water conservation.

[As amended by Act [No. 26 of 1995](#)]

## 23. Income tax deductions

An Investor shall be entitled to the following deductions in ascertaining gains or profits:

- (a) any loss incurred by an investor, in any charge year shall be deducted only from the income of the investor from the same source as that in which the loss was incurred; such loss shall be deducted from his income of the following charge year, and so on from year to year;
- (b) any payments made for the purpose of technical education relating to a business enterprise or for the purposes of obtaining further experience, training or qualifications, relating to that business enterprise;
- (c) any expenditure, not being expenditure of a capital nature, incurred by a business enterprise during a charge year on experiments or research relating to that business enterprise.

*[As amended by Act [No. 26 of 1995](#)]*

## 24. Income tax exemption on dividend from farming

Income received by way of a dividend declared from farming shall be exempt from tax for the first five years of operations.

## 25. Double taxation agreements

Where a double taxation agreement exists between Zambia and another country, foreign tax payable by an investor to the other country in respect of any foreign income shall be allowed as a credit for that investor against Zambian tax in respect of that foreign income.

## 26. \*\*\*

*[Repealed by Act [No. 26 of 1995](#)]*

## 27. Bonded factory

An Investor may apply to be appointed and licensed by the Controller to establish and operate a bonded factory under section fifty-five of the Customs and Excise Act.

*[Cap. 322]*

## 28. Economic development zone or export processing zone

The Controller shall, after consultation with the Minister, licence an area as an economic development zone or export processing zone under section fifty-five of the Customs and Excise Act.

*[Cap. 322]*

## 29. Small scale and village enterprises

A small scale enterprise or a village enterprise registered under the Small Industries Development Act, shall be entitled to the following incentives:

- (a) exemptions from payment of tax on income for—
  - (i) the first three years of operations for an enterprise operating in an urban area;
  - (ii) the first five years of operations for an enterprise in a rural area;
- (b) operation of a manufacturing enterprise for the first five years without a manufacturing licence required for such an enterprise under any law;

- (c) for an enterprise with an investment in plant and machinery of less than five million kwacha, exemption from the payment of licensing fees required for such an enterprise under any law; and
- (d) exemption from the payment of rates on factory premises for the first five years.

*[Cap. 425]*

*[As amended by Act No. 5 of 1996]*

### **30. Immigration**

- (1) Notwithstanding the provisions of the Immigration and Deportation Act, an investor who invests a minimum of two hundred and fifty thousand United States Dollars or the equivalent in convertible currency and who employs a minimum of ten persons shall be entitled to a self employment permit or resident permit.
- (2) The Centre shall assist an investor who meets the requirements of subsection (1) to obtain work permits for up to five expatriate employees.

*[Cap. 123]*

## **Part V – Special incentive**

### **30A. \*\*\***

*[Repealed by Act No. 5 of 1996]*

### **31. Savings for holders of investment certificate issued before 27/01/96 and small scale enterprises**

- (1) Any investor who has been issued with an investment certificate with special incentives before the 27th of January, 1996, shall continue to enjoy such incentives.
- (2) A small enterprise registered under the Small Enterprises Development Act before the 27th January, 1996, shall be entitled to exemption from customs duties and value added tax payable on imported equipment to be used in the enterprise if such equipment was ordered but not imported before the 27th January, 1996.

*[Cap. 425]*

*[As amended by Act No. 5 of 1996]*

## **Part VI – Services**

### **32. Land**

- (1) The Centre shall assist an investor in identifying suitable land for investment and shall assist the investor in applying to the responsible authorities for the land in accordance with established procedures.
- (2) Where an application is made under subsection (1) and the land has been demarcated for the purpose applied for and such land has not been allocated to any other person, body or authority, the authority responsible for the allocation of land shall, upon payment, by the investor, of the prescribed fees, charges, or rates, allocate the land to the investor and the officer responsible for the registration of such land shall make such entries in the appropriate register and shall issue to the investor a certificate of title in respect of the said land.

**33. Water, electricity, transport etc**

The Centre shall assist an investor in obtaining water, electric power, transport and communication services and facilities required for the investment.

**34. Registration and licensing**

The Centre shall assist an investor in obtaining any licence permit, registration or authorisation for the purpose of commencing or operating the business enterprise.

**Part VII – Investment guarantees and general****35. Protection from acquisition**

- (1) No property of any description shall be compulsorily acquired, and no interest in or right over property of any description of an investor shall be compulsorily acquired, except for public purposes under an Act of Parliament relating to the compulsory acquisition of property which provides for payment of compensation in respect thereof.
- (2) Any compensation payable under this section shall be made promptly at the market value and shall be fully transferable at the applicable exchange rate in the currency in which the investment was originally made, without deductions for taxes, levies, and other duties except where those are due.

**36. Transfer of funds**

Notwithstanding the provisions of any other written law relating to externalisation of funds, a foreign investor who has registered foreign capital with the Bank of Zambia, shall be entitled, in respect of a business enterprise to which the Investment Certificate relates, to transfer out of Zambia in foreign currency and after payment of the relevant taxes—

- (a) dividends or after-tax income;
- (b) the principal and interest of any foreign loan;
- (c) management fees, royalties, and other charges in respect of any agreement; or
- (d) the net proceeds of sale or liquidation of the business enterprise.

**37. Transitional provisions**

An investor who, immediately prior to the commencement of this Act, holds—

- (a) a valid investment licence or permit, certificate of incentives or certificate of registration under the Investment Act, 1991; or

*[Act No. 19 of 1991]*

- (b) any other valid certificate or licence issued under any other written law with respect to a business enterprise recognised by the Board;

shall give written notice to that effect to the Board within six months after the commencement of this Act with a certified copy of the licence, permit or certificate, as the case may be, and the rights and benefits accruing to the holder of such licence, permit or certificate shall continue in accordance with the provisions of the Investment Act, 1991.

*[Act No. 19 of 1991]*

### 38. Regulations

- (1) After consultation with the Board, the Minister may, by statutory instrument, provide for—
  - (a) anything which by this Act is required or permitted to be prescribed;
  - (b) the collection of industrial data and the procedure for such collection; and
  - (c) such other matters as are necessary or conducive to the better carrying out of the purposes of this Act.
- (2) The Minister may, upon recommendation by the Board, by statutory instrument, amend any form set out in the Schedules to this Act.

### 39. Repeal of **Act No. 19 of 1991** and savings

- (1) Subject to subsection (2), the Investment Act, 1991 is hereby repealed.
- (2) Notwithstanding the repeal of the Investment Act, 1991—
  - (a) any agreement executed under that Act shall continue in force as if made under this Act;
  - (b) any applications pending before the Investment Board under that Act shall be deemed to have been made to the Board under this Act;
  - (c) any registration done, any other right or benefits accruing, or any liabilities suffered under that Act, other than those specified in section thirty-seven, shall continue in accordance with this Act;
  - (d) any regulations made or directions given under that Act shall, unless contrary to this Act, continue in force until revoked, as if made or given under this Act.

[Act **No. 19 of 1991**]

## First Schedule (Section 6)

### Investment Board

#### 1. Composition of Board

- (1) The Board shall consist of—
  - (a) a representative of a senior rank from each of the Ministries responsible for finance, commerce and industry, legal affairs, land, home affairs, tourism and agriculture;
  - (b) a representative of the National Environmental Council;
  - (c) four persons, one each from—
    - (i) the chambers of commerce and industry;
    - (ii) the farmers;
    - (iii) Non-governmental Organisation Coordinating Committee; and
    - (vi) the agencies promoting small scale industries.
  - (d) three reputable private businessmen appointed by the Minister:

Provided that, notwithstanding section thirty, the persons appointed as members of the Investment Board under the Investment Act, 1991, except the Director-General, shall continue to hold office as members of the Board until the Minister appoints the members under this Act.

- (2) The members referred to in items (a), (b), and (c) shall be nominated by their respective institutions and the Minister shall appoint those nominated persons as members of the Board.
- (3) The Chairman and the Vice-Chairman shall be elected by the Board from amongst its members:  
Provided that the members appointed under items (a) shall not be elected as Chairman or Vice-Chairman.

## **2. Tenure of office and vacancy**

- (1) The members referred to in paragraph 1 shall hold office for a period of three years from the date of appointment and may be re-appointed upon the expiration of that term.
- (2) A member referred to in items (b), (c), and (d) of sub-paragraph (1) of paragraph 1 may resign upon giving one month's notice in writing to the institution which nominated him and to the Minister.
- (3) The office of a member shall become vacant—
  - (a) upon his death;
  - (b) if he is absent without reasonable excuse from three consecutive meetings of the Board of which he has had notice;
  - (c) on ceasing to be a representative of the organisation which nominated him;
  - (d) if he is an undischarged bankrupt; or
  - (e) if he fails to disclose his interest as required by paragraph 7.

## **3. Seal of Board**

- (1) The seal of the Board shall be such device as may be determined by the Board and shall be kept by the Secretary
- (2) The Board may use a wafer or rubber stamp in lieu of the seal.
- (3) The affixing of the seal shall be authenticated by the Chairman or the Vice-Chairman and the Secretary or one other person authorised in that behalf by a resolution of the Board.
- (4) Any contract or instrument which, if entered into or executed, by a person not being a body corporate, would not be required to be under seal, may be entered into or executed without seal on behalf of the Board by the Secretary or any other person generally or specifically authorised by the Board in that behalf.
- (5) Any document purporting to be a document with the seal of the Board or issued on behalf of the Board shall be received in evidence and shall be deemed to be so executed or issued, as the case may be, without further proof, unless the contrary is proved.

## **4. Remuneration and allowances**

A member of the Board or any committee of the Board shall be paid such remuneration and allowances as the Board may determine.

## **5. Procedure of the Board**

- (1) Subject to the other provisions of this Act, the Board may regulate its own procedure.
- (2) The Board shall meet for the transaction of business at least once in every three months at such places and at such times as the Chairman may decide.
- (3) Upon giving notice of not less than fourteen days, a meeting of the Board may be called by the Chairman; and shall be called if not less than five members so request in writing:

Provided that if the urgency of any particular matter does not permit the giving of such notice, a special meeting may be called by the Chairman, upon giving a shorter notice.

- (4) Nine members shall form a quorum at any meeting of the Board.
- (5) There shall preside at any meeting of the Board—
  - (a) the Chairman; or
  - (b) in the absence of the Chairman, the Vice-Chairman; or
  - (c) in the absence of the Chairman and the Vice-Chairman such member as the members present may elect for the purpose of that meeting.
- (6) The Board may invite any person, whose presence is in its opinion desirable, to attend and to participate in the deliberations of a meeting of the Board but such person shall have no vote.
- (7) A decision of the Board on any question shall be by a majority of the members present and voting at the meeting and, in the event of an equality of votes, the person presiding at the meeting shall have a casting vote in addition to his deliberative vote.
- (8) The validity of any proceedings, act or decision of the Board shall not be affected by any vacancy in the membership of the Board or by any defect in the appointment of any member or by reason that any person not entitled so to do took part in the proceedings.
- (9) The Board shall cause minutes to be kept of the proceeding of every meeting of the Board and of every meeting of any committee established by the Board.

## **6. Committees of members of the Board**

- (1) The Board may, for the purpose of performing its functions under this Act, establish committees of members of the Board and delegate to any such committee such of its functions as it thinks fit.
- (2) The Board may appoint the Director-General as a member of a committee established under subsection (1).
- (3) Subject to any specific or general direction of the Board any committee established under subsection (1) may regulate its own procedure.
- (4) A committee may invite any person, whose presence is in its opinion desirable, to attend and to participate in the deliberations of a meeting of the committee but such person shall have no vote.

## **7. Disclosure interest**

- (1) If any person is present at a meeting of the Board or any committee of the Board at which any matter is the subject of consideration and in which matter that person or his spouse is directly or indirectly interested in a private capacity that person shall, as soon as practicable after the commencement of the meeting, disclose such interest and shall not, unless the Board otherwise directs, take part in any consideration or discussion of, or vote on, any question touching such matter.
- (2) A disclosure of interest made under this section shall be recorded in the minutes of the meeting at which it is made:

## **8. Immunity of members**

No action or other proceedings shall lie, or be instituted against any member or member of a committee for or in respect of any act or thing done or omitted to be done in good faith in the exercise or purported exercise of his functions under this Act.

## 9. Director-General

- (1) The Board shall appoint, on such terms and conditions as it may determine, a Director-General who shall be the chief executive officer of the Centre, and who shall be responsible for the administration of the Centre and the implementation of the decisions of the Board.
- (2) The Director-General may, subject to the approval of the Board, establish such organisational structures for the Centre as he may consider necessary for the discharge of the functions of the Centre.
- (3) The Director-General shall attend meetings of the Board and may address such meetings, but shall not vote on any matter:

Provided that the person presiding at any meeting of the Board, may for good cause, require the Director-General to withdraw from such meeting.

- (4) Paragraph 7 shall apply, with the necessary modifications, to the Director-General.

## 10. Secretary and other staff

- (1) There shall be a Secretary to the Board who shall be appointed by the Board on such terms and conditions as the Board may determine.
- (2) The Secretary shall be responsible for the day-to-day affairs of the Board under the general supervision of the Director-General.
- (3) The Board may appoint, on such terms and conditions as it may determine, such other staff for the Centre as it considers necessary.

## 11. Prohibition on publication disclosure of information

- (1) No member of the Board or employee of the Centre, or any person invited to attend a meeting of the Board or committee shall, without the consent in writing given by or on behalf of the Board, publish or disclose to any person, otherwise than in the course of his duties, the contents of any document, communication or information whatsoever, which relates to, and which has come to his knowledge in the course of, his duties under this Act.
- (2) Any person who knowingly contravenes the provisions of sub-paragraph (1) shall be guilty of an offence and shall be liable, upon conviction, to a fine not exceeding ten thousand penalty units or to imprisonment for a term not exceeding three years, or to both.
- (3) If any person having information which to his knowledge has been published or disclosed in contravention of sub-paragraph (1) unlawfully publishes or communicates any such information to any other person, he shall be guilty of an offence and shall be liable, upon conviction, to a fine not exceeding ten thousand penalty units or to imprisonment for a term not exceeding three years, or to both.

*[As amended by Act [No. 13 of 1994](#)]*

## 12. Funds of the Board

- (1) The funds of the Board shall consist of such moneys as may—
  - (a) be appropriated by Parliament for the purposes of the Board;
  - (b) be paid to the Board by way of grants or donations;
  - (c) be paid to the Board by way of certificate fees; and
  - (d) vest in or accrue to the Board.



- (2) The Board may—
- (a) accept money by way of grants or donations from any source in Zambia;
  - (b) raise money by way of loans or otherwise from any source in Zambia and, subject to the approval of the Minister, from any source outside Zambia, such moneys as it may require for the discharge of its functions; and
  - (c) charge and collect fees in respect of programmes, publications, seminars, consultancy services, and other services provided by the Centre.
- (3) There shall be paid from the funds of the Board—
- (a) the salaries, allowances and loans to the staff of the Board;
  - (b) such reasonable travelling, transport and subsistence allowance for members or members of any committee of the Board when engaged on the business of the Board at such rates as the Board may determine; and
  - (c) any other expenses incurred by the Board in the performance of its functions.
- (4) The Board may invest in such manner as it thinks fit such of its funds as it does not immediately require for the performance of its functions.

### 13. Finance

The financial year of the Board shall be the period of twelve months ending on 31st December, in each year.

### 14. Accounts

- (1) The Board shall cause to be kept proper books of account and other records relating to its accounts.
- (2) The accounts of the Board shall be audited annually by independent auditors appointed by the Board.
- (3) The auditor's fees shall be paid by the Board.

### 15. Annual report

- (1) As soon as practicable, but not later than six months after the expiry of the financial year, the Board shall submit Annual to the Minister a report concerning its activities during that financial year.
- (2) The report referred to in subsection (1) shall include information on the financial affairs of the Board and there shall be appended to the report—
  - (a) an audited balance sheet;
  - (b) an audited statement of income and expenditure; and
  - (c) such other information as the Minister may require.
- (3) The Minister shall, not later than seven days after the first sitting of the National Assembly next after the receipt referred to in sub-paragraph (1), lay it before the National Assembly.

## Second Schedule (Section 8)

### Specified industries

- 1. Any industry manufacturing arms and ammunition, explosives, military vehicles and equipment, aircraft and any other military hardware.

2. Any industry manufacturing poisons, narcotics, dangerous drugs and toxic, hazardous and carcinogenic materials.
3. Any industry producing currency, coins and security documents.

### **Third Schedule (Section 9)**

#### **Investment Act (No. 39 of 1993)**

#### **Application for an Investment Certificate**

*[Editorial note: The forms have not been reproduced.]*

*[Third schedule substituted by section 2 of [Statutory Instrument 39 of 1997](#)]*

### **Fourth Schedule (Section 10)**

#### **Investment Certificate**

This is to certify that the investors in this certificate has/have been duly registered under the Investment Act, 1993, in the business enterprise specified hereunder:

Name of Investor \_\_\_\_\_

Business Enterprise \_\_\_\_\_

Investment Certificate number \_\_\_\_\_

Date \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

Official stamp:

\_\_\_\_\_

Investment Board