ZAMBIA'S MINING SECTOR:

MINING SERIES

The Role of the Minerals Regulation Commission in Zambia's Mining Sector

(This is the second article in our series on Zambia's mining sector, prepared in anticipation of the upcoming Mining Indaba.)

Introduction

Zambia's mining sector is undergoing some regulatory changes with the passage of the Minerals Regulation Commission Act, 2024. Although the Act has been passed by Parliament, it has not yet commenced, meaning that the Mines and Minerals Development Act, 2015 remains the governing law for mining regulation.

The Minerals Regulation Commission (MRC) is the key institution established under the 2024 Act and will centralize mineral regulation under a single entity. However, until the Act takes effect, the various offices within the Ministry of Mines and Minerals Development continue to regulate the mining sector.

This article examines the current regulatory framework under the 2015 Act and the anticipated changes once the MRC becomes operational.

The Current Regulatory Framework Under the 2015 Mines and Minerals Development Act

The Mines and Minerals Development Act, 2015 assigns different aspects of mining regulation to specific offices within the Ministry of Mines and Minerals Development, each with a distinct role:

1. The Director of Mines – Supervises and regulates the proper and effectual development of mines. This office ensures that mining operations comply with licensing conditions and Zambia's mining laws.

2. The Director of Mines Safety – Oversees health, safety, and environmental compliance in mining operations.

3. The Director of Geological Survey – Responsible for geological mapping, mineral exploration oversight, and data collection.

4. The Director of Mining Cadastre – Administers all mining and non-mining rights by processing license applications, maintaining the mining cadastre system, and ensuring compliance with licensing conditions.

While this structure has governed the mining sector for nearly a decade, challenges such as licensing delays, regulatory inefficiencies, and overlapping mandates have led to the introduction of the Minerals Regulation Commission Act, 2024, aimed at streamlining mining governance.

The Shift to the Minerals Regulation Commission

Once the Minerals Regulation Commission Act, 2024 takes effect, all regulatory functions will be transferred to the MRC. Instead of multiple offices overseeing different aspects of the mining sector, the MRC will act as the single authority responsible for licensing, compliance, and mineral resource management.

The following are some of the key anticipated changes:

- The establishment of the MRC centralizes decision-making on mining rights, reducing the collaborative approach of the previous Mining Licensing Committee.

- As a body corporate, it entails that the Minerals Regulation Commission will operate independently of the government. Section 5 of the Minerals Regulation Commission Act provides that *"there is established the Minerals Regulation Commission which is a body corporate with perpetual succession and a common seal, capable of suing and being sued in its corporate name and with power subject to the provisions of this Act, to do acts and things that a body corporate may, by law, do or perform"*.

- In light of section 5, the MRC is a body corporate with the power to sue and be sued and to enter into contracts. This makes the MRC more accountable to licence holders both from a contractual perspective and a dispute resolution perspective.

Conclusion

At present, the Mines and Minerals Development Act, 2015, remains in force, and mining rights continue to be regulated by the Director of Mines, Director of Mines Safety, Director of Geological Survey, and Director of Mining Cadastre. However, once the Minerals Regulation Commission Act, 2024, commences, the MRC will take over all regulatory functions, creating a more centralized and efficient regulatory structure.

We note that the Minister of Mines, in his recent address indicated that the Minerals Regulation Commission Act is scheduled to commence at the end of the first quarter of 2025.

MAY and Company
759 Glass House Independence Avenue
Woodlands Roundabout
Lusaka Zambia
Tel: +260211250580
info@mayandco.co.zm | www.mayandco.law

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