



**EXCHANGE CONTROL CIRCULAR NO. 5 OF 2021
TO AUTHORISED DEALERS**

**ISSUED IN TERMS OF SECTION 35 (1) OF THE EXCHANGE CONTROL
REGULATIONS STATUTORY INSTRUMENT 109 OF 1996**

1. INTRODUCTION

- 1.1 Reference is made to the Governor's Press Statement of 27 May 2021 regarding the ease of doing business in the payment of royalty fees and commissions on mineral receipts which were previously paid through the Minerals Marketing Corporation of Zimbabwe (MMCZ).
- 1.2 In order to operationalize these arrangements, Authorised Dealers are advised as follows: -

2. OPERATIONAL MODALITIES

- 2.1 The following guidelines will apply: -
- i. Authorised Dealers should deduct mining royalties from payment received in relation to exports from the mining companies.
 - ii. The mining royalties deducted should be remitted to Zimbabwe Revenue Authority (ZIMRA) using the respective Business Partner Number and Contract Number of the mining company or person who has received export proceeds.
 - iii. The amounts deducted should be remitted to ZIMRA by the Authorised Dealer not later than the 10th of the month following the month in which the proceeds from which the royalties were deducted are received.

- iv. In remitting the amounts, the Authorised Dealer shall be required to prepare a schedule of payments made and submit to ZIMRA not later than the 10th of the month following the month in which the proceeds from which the royalties were deducted are received. This schedule shall be used for reconciliation purposes and must be submitted to an email address which shall be provided in due course.
- v. The mining companies or persons shall be required to complete their returns separately and submit to ZIMRA no later than the 10th day of the month following the month in which the proceeds from which the royalties were deducted are received.
- vi. The mining royalties on export proceeds are payable in foreign currency.

2.2 Authorised Dealers should note the following rates of mining royalties.

ROYALTIES	RATE (%)
Diamonds	10
Other precious stones	10
Platinum	2.5
Other precious metals	4
Base metals	2
Industrial metals	2
Coalbed Methane	2
Coal	1
Black granite and other uncut dimensional stone	2

2.3 In addition to the above, the commission amount of 0.875% deductible from these mineral exports shall also be deducted and transferred into the ZIMRA Export Commissions Account.

Please be guided accordingly.



F. Masendu
Director
EXCHANGE CONTROL

10 June 2021