

ZAMBIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (ZEITI)

RECONCILIATION REPORT FOR THE YEAR 2011

February 2014



Table of Contents

1. INTRODUCTION	5
1.1. Background.....	5
1.2. Objective.....	5
1.3. Nature and extent of our work	5
2. EXECUTIVE SUMMARY	6
2.1. Completeness and accuracy of data	6
2.2. Payment Reconciliation.....	8
2.3. Government revenues.....	11
3. APPROACH AND METHODOLOGY	14
3.1. Scoping study	14
3.2. Capacity building workshop.....	14
3.3. Reconciliation process	15
3.4. Reliability and credibility of EITI data.....	15
3.5. Basis of reporting	16
4. OVERVIEW OF THE EXTRACTIVE SECTOR IN ZAMBIA	17
4.1. Oil and Gas sector	17
4.2. Mining Sector	18
5. DETERMINATION OF THE RECONCILIATION SCOPE.....	26
5.1. Sectors and Activities	26
5.2. Payment flows.....	28
5.3. Extractive companies	32
5.4. Flow chart of payment flows	34
6. RECONCILIATION SCOPE.....	35
6.1. Taxes and revenues covered	35
6.2. Extractive companies	37
6.3. Government Agencies.....	38
7. RESULTS OF THE RECONCILIATION	39
7.1. Reporting by extractive companies and Governmental Bodies.....	39
7.2. Reporting by tax category	41
7.3. Reconciliation adjustments.....	43
7.4. Unreconciled discrepancies	45

8. REPORTED DATA	47
8.1. Analysis of Government revenues.....	47
8.2. Social payments.....	49
8.3. ZCCM-IH revenues	50
8.4. Production declared by extractive companies	51
9. RECOMMENDATIONS	52
9.1. Lessons learned from the 2011 reconciliation	52
9.2. Follow up of the recommendations of the 2010 EITI Report	54
ANNEXES	63
Annex 1: Reporting template and Supporting Schedule	64
Annex 2: List of mining companies paying taxes to the ZRA below the materiality threshold.....	68
Annex 3: List of non-extractive companies paying taxes to the ZRA in excess of the materiality threshold.....	70
Annex 4: Unilateral disclose of revenues by the ZRA.....	71
Annex 5: List of Oil and Gas companies.....	72
Annex 6: Tracking table of certified declaration forms	73
Annex 7: Extractive companies profile	75
Annex 8: Reconciliation sheet by company	77
Annex 9: Persons contacted or involved in the 2011 ZEITI reconciliation.....	103

LIST OF ABBREVIATIONS

DRC	Democratic Republic of Congo
EITI	Extractive Industries Transparency Initiative
FOB	Free on Board
GB	Governmental Bodies
GDP	Gross Domestic Product
GRZ	Government of the Republic of Zambia
GSD	Geologic Survey Department
IFAC	International Federation of Accountants
ISA	International Standard on Auditing
MMEWD	Ministry of Mines, Energy and Water Development
MoFNP	Ministry of Finance and National Planning
MoL	Ministry of Lands
MoLGH	Ministry of Local Government and Housing
TPIN	Tax Payer Identification Number
VAT	Value Added Tax
WHT	Withholding Tax
ZCCM- IH	Zambia Consolidated Copper Mines – Investment Holdings Plc
ZEC	Zambia EITI Council
ZEITI	Zambia Extractive Industries Transparency Initiative
ZMW	Zambian Kwacha - Rebased ¹
ZRA	Zambia Revenue Authority

¹ This is the scrapping of the three zeroes from the Zambian Kwacha which took effect from 1 January 2013

1. INTRODUCTION

1.1. Background

The Extractive Industries Transparency Initiative (EITI) is a global coalition of governments, companies and civil society working together to improve transparency and accountability in the management of revenues from natural resources.

Zambia became a candidate country in May 2009 and became fully compliant on 19 September 2012. Zambia's next validation is due before 1 July 2016.

This is the fourth Zambia Extractive Industries Transparency Initiative (EITI) reconciliation report, which covers the period from 1 January to 31 December 2011 and the second reconciliation report since Zambia became compliant on 19 September 2012.

The report and the data generated through the reconciliation process are intended for use by the Zambia EITI Council (ZEC) and other stakeholders for the purpose of that initiative and are not to be relied upon by other parties.

1.2. Objective

The purpose of the 4th Zambia EITI Report is to reconcile data provided by companies in the extractive sector (hereafter referred to as "Companies") with data provided by the relevant Government Ministries and Agencies (hereafter referred to as "Government Agencies").

The overall objective of the reconciliation exercise is to help the Government of Zambia to identify the positive contribution that minerals resources are making to economic and social development of the Country, and to realise their potential through improved resource governance that encompasses and fully implements the principles and criteria of the Extractive Industries Transparency Initiative.

1.3. Nature and extent of our work

The Reconciliation ('Engagement') was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures performed were those set out in the terms of reference as established in the Request for Proposal referenced ZEITI/SEC/C/001/13 and as approved by ZEC.

We set out our findings in this report including its appendices. Because the procedures were not designed to constitute an audit or review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the transactions beyond the explicit statements set out in this report. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The report provides a brief background, scope and objectives, our methodology and approach to the reconciliation process. It then provides details of our findings, recommendations for improvement and the way forward for the reconciliation process.

Our report incorporates information received up to 10 February 2014 pertaining to the 2011 calendar year. Any information received after this date is not, therefore, included in our report. The confirmations, which did not affect data or reconciliations, received subsequently to this date have been included.

2. EXECUTIVE SUMMARY

The main findings based on the work carried out, are as follows:

2.1. Completeness and accuracy of data

We did not receive information on the receipts and taxes for 2011 from MMEWD during the scoping study. As a result the same payment flows selected for the 2009 and 2010 reconciliation exercises have been maintained for the 2011 EITI reconciliation scope.

- i. The 2011 reconciliation set a materiality level which meant that companies making 99.78% of initially reported payments to ZRA, the main recipient of payments from the mining sector, have been included in the reconciliation. This was achieved by including all companies making payments to ZRA in excess of ZMW 2 million. The revenues collected from the remaining companies have been included in this report through a unilateral disclosure by Government Agencies.
- ii. All companies included in the reconciliation scope have returned their reporting templates, except BHP BILLITON WORLD EXPLORATION INC. The receipts reported by Government Agencies in respect of this company were ZMW 9,816,256 (0.001% of the total declared by Government).
- iii. All Government Agencies included in the reconciliation scope have returned their reporting templates.
- iv. ZRA did not submit a Reporting Template in the format requested by the 2011 reconciliation guidelines. The ZEC decided to accept ZRA declarations for the purpose of the preparation of this report.
- v. Although companies were requested to obtain confirmation that accounts were audited to international standards, and that there were no issues that came to the auditor's attention which would lead the latter to believe that the information disclosed in the template did not represent a true and fair summary of the payments made, and was prepared in accordance with the template instructions, we note that only 10 out of 26 companies, representing 76.7% of the total taxes and payments declared by Companies after adjustment, complied with this requirement. These companies are as follows:

Companies	Reported by companies after adjustment (ZMW)
KANSANSHI MINING PLC	4,241,464,157
LUMWANA MINING COMPANY LIMITED	678,346,984
MOPANI COPPER MINES PLC	567,002,672
CHIBULUMA MINES PLC.	226,964,245
Lubambe Copper Mine Limited	56,988,134
CHAMBISHI METALS PLC	55,565,604
NDOLA LIME COMPANY LIMITED	42,574,591
SINO-METALS LEACH ZAMBIA LTD	10,683,421
GRIZZLY MINING LIMITED	3,836,455
SAN HE (ZAMBIA) LIMITED	2,943,147
Total	5,886,369,410

- vi. Out of the remaining 16 companies, 14 companies have submitted their declarations electronically by email. The remaining 2 companies did not submit reporting templates signed by a senior official, representing 1.6% of the total amount reported by companies after adjustment. These were as follows:

Companies	Reported by companies after adjustment (ZMW)
NFC AFRICA MINING PLC	101,977,967
KAGEM MINING LIMITED	20,328,139
Total	122,306,106

The ZEC decided to accept these declarations based on management certification for the purpose of the preparation of this report.

- vii. With regard to Government Agencies, all the reporting templates were certified by the Auditor General and the Local Government External Auditor, except Solwezi Municipal Council representing 0.1% of the total amount declared by the Government Agencies:

Local councils	Reported by local councils after adjustment (ZMW)
Solwezi Municipal Council	10,426,981
Total	10,426,981

- viii. Although Government Agencies were requested to declare the revenues received from mining companies not included in the reconciliation scope, we note that only ZRA, the main recipient on behalf of government for payments from the mining sector, complied with this requirement.
- ix. The production of information by companies and Government Agencies caused considerable delays in the completion of the reconciliation exercise. As a result, this situation complicated the collection of the supporting documents to update the information provided in the original data collection templates.
- x. Several extractive companies had problems detailing some of the taxes reported which led to several unresolved discrepancies, in particular for taxes reported under "Import VAT" and "Import/Customs Duty". The total discrepancies, in absolute value, that have been raised by these tax categories, are presented as follows:

Tax	Unresolved discrepancies (ZMW)
Import VAT	38,095,947
Import/Customs Duty	31,443,050
Total	69,538,997

2.2. Payment Reconciliation

- i. At the beginning of the reconciliation, the total amount reported by the Government of Zambia from the extractive industry amounted to ZMW 7,555,788,833 while the total net difference between the Companies' submissions and those of the Agencies amounted to ZMW 139,346,618 (1.8%), as summarised in the table below:

	Extractive companies (ZMW)	Government Agencies (ZMW)	Difference (ZMW)	%
Total payments declared initially by reporting entities	7,416,442,215	7,555,788,833	(139,346,618)	(1.8%)

- ii. At the end of the reconciliation, a total amount of ZMW 7,721,770,731 was reported to have been received by the Government of Zambia between 1 January 2011 and 31 December 2011. A net difference of ZMW 48,844,262 (0.6%) remained unreconciled, as summarised in the table below:

	Extractive companies (ZMW)	Government Agencies (ZMW)	Difference (ZMW)	%
Total payments declared after adjustment	7,672,926,469	7,721,770,731	(48,844,262)	(0.6%)

These differences and the adjustments made are further analysed in Section 6 of this report.

- iii. The final difference of ZMW (48,844,262) relating to the 2011 reconciliation exercise is summarised in the table below:

❖ *Unreconciled differences by origin*

Origin	Unreconciled Difference (ZMW)
Templates not submitted by extractive companies	(9,816,256)
Discrepancies in Templates submitted	(39,028,006)
Total differences	(48,844,262)

❖ **Unreconciled differences by Company**

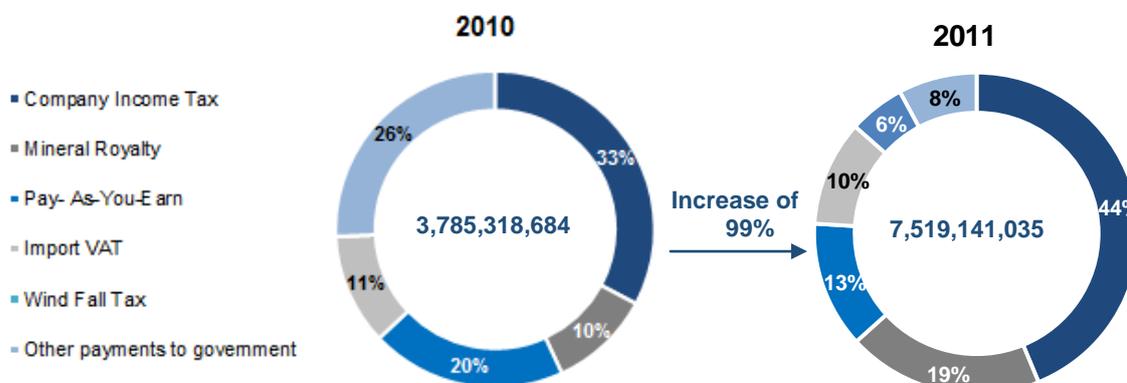
N°	Entities	Extractive companies declared payments (ZMW)	Government declared receipts (ZMW)	Unreconciled Difference (ZMW)	Positive Difference (ZMW)	Negative Difference (ZMW)
1	KONKOLA COPPER MINES PLC	767,191,751	901,793,058	(134,601,306)	1,724,984	(136,326,290)
2	KANSANSHI MINING PLC	4,241,464,157	4,241,361,535	102,622	161,162	(58,540)
3	MOPANI COPPER MINES PLC	567,002,672	566,552,505	450,167	944,120	(493,953)
4	FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	539,634,800	388,962,587	150,672,212	182,793,807	(32,121,594)
5	LUMWANA MINING COMPANY LIMITED	678,346,984	678,065,800	281,184	298,421	(17,238)
6	NFC AFRICA MINING PLC	101,977,967	106,711,034	(4,733,067)	801,402	(5,534,469)
7	CHIBULUMA MINES PLC.	226,964,245	271,147,362	(44,183,117)	14,658	(44,197,775)
8	CHAMBISHI COPPER SMELTER LIMITED	34,232,551	36,687,558	(2,455,007)	53,394	(2,508,401)
9	NDOLA LIME COMPANY LIMITED	42,574,591	44,289,823	(1,715,232)	255,832	(1,971,063)
10	CHAMBISHI METALS PLC	55,565,604	55,664,652	(99,047)	6,829	(105,876)
11	CNMC LUANSHYA COPPER MINES PLC	109,931,304	104,386,333	5,544,971	5,592,130	(47,159)
12	SCIROCCO ENTERPRISES LIMITED	4,804,604	9,539,298	(4,734,694)	348,850	(5,083,544)
13	KAGEM MINING LIMITED	20,328,139	20,333,162	(5,023)	-	(5,023)
14	SINO-METALS LEACH ZAMBIA LTD	10,683,421	12,090,820	(1,407,399)	1,062,119	(2,469,518)
15	ALBIDON ZAMBIA LIMITED	26,673,003	28,562,870	(1,889,867)	5,496,349	(7,386,216)
16	GRIZZLY MINING LIMITED	3,836,455	4,234,021	(397,566)	226,949	(624,515)
17	Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	7,505,913	7,442,384	63,530	269,262	(205,733)
18	UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	8,061,957	7,894,338	167,619	338,468	(170,850)
19	Sable Zinc Kabwe Limited	7,358,561	10,375,702	(3,017,142)	6,399	(3,023,540)
20	SAN HE (ZAMBIA) LIMITED	2,943,147	3,297,419	(354,272)	11,908	(366,180)
21	BHP BILLITON WORLD EXPLORATION INC	-	9,816,256	(9,816,256)	-	(9,816,256)
22	Kalumbila Minerals Limited	1,917,056	10,160,606	(8,243,550)	7,200	(8,250,750)
23	Lubambe Copper Mine Limited	56,988,134	48,723,990	8,264,144	8,267,573	(3,429)
24	MAAMBA COLLIERIES LIMITED	27,381,621	26,892,306	489,315	505,568	(16,253)
25	LAFARGE CEMENT ZAMBIA PLC	121,118,566	121,230,513	(111,947)	114,373	(226,320)
26	ZCCM-IH	8,439,265	5,554,799	2,884,466	3,020,202	(135,736)
Total		7,672,926,469	7,721,770,731	(48,844,262)	212,321,959	(261,166,221)

❖ **Unreconciled differences by Agency/Tax**

N°	Tax	Extractive companies (ZMW)	Government Agencies (ZMW)	Unreconciled Difference (ZMW)
Ministry of Mines and Mineral Development		24,983,749	30,552,755	(5,569,006)
1	Application Fees	4,680	3,870	810
2	Licence Fees	222,153	121,520	100,633
3	Area Charges	142,163	331,708	(189,545)
4	Valuation Fees	64,365	94,702	(30,337)
5	Annual Operating Permit	20,430	35,910	(15,480)
6	Environmental Protection Fund	24,476,899	29,875,476	(5,398,577)
7	Other fees & charges	53,059	89,569	(36,510)
Zambia Revenue Authority - Domestic Taxes		6,400,024,085	6,439,759,166	(39,735,081)
8	Pay- As-You-Earn	944,329,195	954,961,589	(10,632,394)
10	Mineral Royalty	1,469,502,443	1,465,952,289	3,550,153
11	Company Income Tax (Inc. Provisional Tax)	3,263,491,360	3,291,339,185	(27,847,825)
12	VAT (Net paid)	198,016,758	198,902,570	(885,812)
14	Withholding Taxes	95,145,870	97,746,679	(2,600,808)
15	Excise Duty	8,351,349	9,387,241	(1,035,892)
16	Property Transfer Tax	-	274,106	(274,106)
17	Wind Fall Tax	421,187,110	421,187,110	-
18	Variable profit Tax	-	-	-
20	Export Levy	-	8,397	(8,397)
Zambia Revenue Authority - Customs		1,002,869,890	998,149,500	4,720,390
9	Import VAT	835,007,324	796,911,377	38,095,947
13	Import/Customs Duty	163,751,214	195,194,264	(31,443,050)
19	Advance Income Tax	107,116	1,730,132	(1,623,016)
21	Other taxes (ZRA)	4,004,236	4,313,727	(309,491)
Local Councils		47,463,349	48,205,056	(741,707)
22	Annual Business Fees	186,251	2,179,496	(1,993,245)
23	Property Rates	47,277,098	46,025,560	1,251,538
Ministry of Lands		8,963,936	2,474,559	6,489,377
24	Ground Rent	8,933,866	2,474,559	6,459,307
25	Consideration Fees	-	-	-
26	Registration Fees	30,070	-	30,070
27	Preparation fees	-	-	-
Ministry of Finance		-	-	-
28	Dividends from Government Shares	-	-	-
29	Revenues from GRZ shareholding sale	-	-	-
ZCCM-IH		188,621,460	202,629,695	(14,008,235)
30	Dividends from ZCCM-IH Shares	91,421,460	105,429,695	(14,008,235)
31	Price participation fees	97,200,000	97,200,000	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-
Total		7,672,926,469	7,721,770,731	(48,844,262)

These unreconciled differences are further analysed in Section 6 of this report

Government revenues	2010		2011	
	ZMW	USD	ZMW	USD
Government receipts from extractive sector	3,785,318,684	789,101,247	7,533,916,964	1,550,188,676
Government receipts from reconciled companies	3,785,318,684	789,101,247	7,519,141,035	1,547,148,361



EITI Data	2010		2011(*)	
	ZMW	USD ⁸	ZMW	USD
Government receipts from reconciled companies	3,785,318,684	789,101,249	7,519,141,035	1,547,148,361
Company Income Tax	1,240,723,536	258,645,724	3,291,339,185	677,230,285
Mineral Royalty	391,795,837	81,675,180	1,465,952,289	301,636,274
Pay- As-You-Earn	750,028,898	156,353,742	954,961,589	196,494,154
Import VAT	429,267,796	89,486,720	796,911,377	163,973,534
Wind Fall Tax	-	-	421,187,110	86,664,014
Other payments to government	973,502,617	202,939,883	588,789,485	121,150,100
Government receipts from non-reconciled companies⁹	-	-	14,775,929	3,040,315

(*)The Government Revenues from the extractive sector increased from ZMW 3,785,318,684 to 7,533,916,964 in 2011. This significant increase amounting ZMW 3,748,598,280 is explained mainly by new tax and rates introduced by 2008 mining fiscal regime which has effectively entered into force in 2011 further to the arrangement reached towards the end of 2010 between mining companies and the government.

The 2008 tax changes increased company tax from 25% to 30%, Mineral Royalty Tax from 0.6% to 3% and introduced variable profit and windfall taxes. Until 2010, mining companies continued paying taxes at the old rate pending the clarification of these changes with regard to the fiscal stability clauses in the development agreements signed with the Zambian Government. According to the arrangement, mining companies were requested to pay all arrears arising from 2008 mining tax regime. The back taxes which were paid in 2011 totalled ZMW 1,780,266,226¹⁰ are detailed as follow:

	Amount in ZMW
Company Income Tax	728,929,711
Mineral Royalty	630,149,405
Wind Fall Tax	421,187,110
Total differences	1,780,266,226

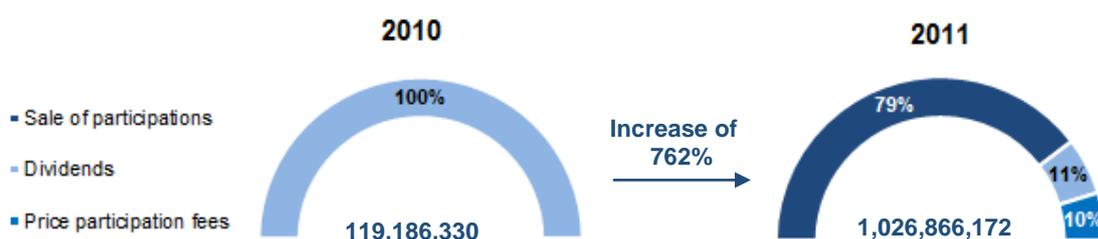
⁸ Figures converted at the rate USD 1: ZMW 4.797 (International Monetary Fund)

⁹ Not included in the 2010 reconciliation report scope

¹⁰ ZRA declaration

The revenues increase is also partly due to a 7% increase in copper production and an increase in metal prices. In 2011, the COMEX price of copper average 4.00 USD/lb surpassing the average price of 3.43 USD/lb in 2010.

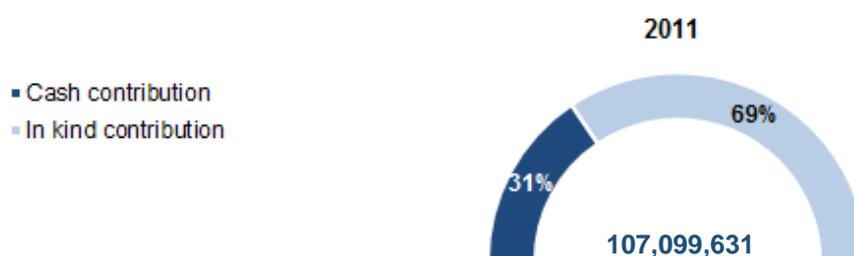
iv. ZCCM-IH receipts from extractive sector



ZCCM-IH (ZMW)	2010		2011	
	ZMW	USD	ZMW	USD
Sale of participations	-	-	814,082,187	167,506,623
Dividends	119,186,330	24,846,014	115,583,985	23,782,713
Price participation fees	-	-	97,200,000	20,000,000
Total	119,186,330	24,846,014	1,026,866,172	211,289,336

(*)The increase of ZCCM-IH revenues from extractive sector comes mainly from the sale of 2.28 per cent stake in Equinox Minerals Ltd, the former parent company of Lumwana Mines. Dividends were relatively unchanged between periods.

v. Social expenditures



Social payment	2010 ¹¹		2011	
	ZMW	USD	ZMW	USD
Cash contribution	-	-	33,306,656	6,853,221
In kind contribution	-	-	73,702,975	15,165,221
Total	-	-	107,009,631	22,018,442

Tim Woodward
Partner
Moore Stephens LLP

150 Aldersgate Street
London EC1A 4AB

13 February 2014

3. APPROACH AND METHODOLOGY

Prior to requesting data for the 2011 reconciliation process, we carried out a scoping study for the purpose of determining the scope of the reconciliation exercise and to update the reporting template. We also prepared written instructions explaining how to complete and submit these reporting templates. Additionally, we conducted a workshop for all stakeholders and explained the objectives of the reconciliation exercise and how to fill in the reporting template, whilst going through the guidelines.

3.1. Scoping study

In accordance with our terms of reference, we carried out a scoping study and reported to ZEC on matters which should be considered in determining the coverage of the 2011 reconciliation, including:

- materiality threshold for receipts and payments;
- taxes and revenues to be covered;
- companies and Government Agencies required to report; and
- assurances to be provided by reporting entities to ensure credibility of the data made available to us.

A fact-finding visit at the ZEITI Secretariat in Lusaka was carried out between 18 and 26 November 2013 during which we:

- examined the structure of the extractive sector in Zambia and sought to the number of taxpayers and the relevant Government Agencies involved;
- conducted a mapping exercise of the flow of revenue from the Extractive Industries/Companies to Government Agencies;
- designed a revenue tracking template for line Agencies at different stages of the value chain – flow of funds; and
- identified areas in which reconciliation is feasible, i.e. where there is perfect symmetry between the paying and receiving entities, and areas in which only a unilateral disclosure by the receiving or disbursing entity is necessary.

The results of the scoping study submitted to ZEC for approval as described in Section 6 of this report.

3.2. Capacity building workshop

We conducted a workshop to explain the process of completing the templates, highlighting challenges experienced by stakeholders in completing templates for the 4th Report, defining payment/revenue streams, and providing contact details that reporting stakeholders may use to obtain assistance or clarification in connection with completing the templates.

This workshop was held for the stakeholders on 11 October 2013 in Chingola and we set a timetable and deadline for the submission of the completed reporting templates.

Following the workshop, all reporting stakeholders were given a period of 2 weeks within which they were to submit the completed templates.

¹¹ Not included in the 2010 reconciliation report scope

3.3. Reconciliation process

3.3.1. Data Gathering

We developed instructions, including reporting templates and reporting guidelines, requesting mining companies and Government Agencies to report all required data in accordance to ZEITI regulations. These reporting templates were sent electronically to the stakeholders. The entities and Government Agencies were required to report directly to the reconciler, to whom they were also requested to direct any questions on the reporting templates.

ZEC agreed that the deadline for reporting would be 24 October 2013, while that for the submission of the certified reporting templates was set at 1 November 2013.

By 24 October 2013, we received only 9 templates from the companies and 17 templates from Government Agencies. The remaining templates were received after the deadline, with the exception of templates due from 4 companies and 1 local council. The submission dates are detailed in Annex 6 of this report. We contacted the entities which failed to submit their templates and reminded them of the reporting requirements.

We obtained supporting payment schedules for various payments made by the Companies, which included details such as date of payment, type of tax, and flag receipt numbers. The Government Agencies made a database of all amounts they received from extractive Companies for the 2011 financial year available to us.

3.3.2. Data compilation and resolution of discrepancies

The process of compiling the data and resolving or justifying discrepancies was carried out between November and December 2013. In carrying out the reconciliation, we performed the following procedures:

- figures reported by extractive companies were compiled item by item figures reported against the Government Agencies. As a result, all discrepancies identified have been listed item by item in relation to each Government Agency and mining company;
- where data reported by mining companies agreed with the data reported by the agencies, the government figures were considered to be confirmed and no further action was undertaken; and
- the Government Agencies and the companies were asked to provide supporting documents and/or confirmation for any adjustment to the information provided on the original data collection templates.

In cases where we were unable to resolve discrepancies, we visited the reporting entities and reviewed additional supporting documentation evidencing the payments declared. In certain cases, these differences remained unresolved, which we have summarised in Section 7.4 of this report.

3.4. Reliability and credibility of EITI data

In order to comply with EITI Requirements 12 and 13 and to ensure the credibility of data submitted:

- companies and Government Agencies were requested to sign their reporting templates by a Senior Official;
- companies and Government Agencies were requested to submit the breakdown of payments and receipts date by date and receipt by receipt in the supporting schedule;
- companies, including ZCCM-IH, were requested to provide us with confirmation of the truth and fairness of the information disclosed in the template from their auditors, and that the information disclosed was prepared in accordance with the template instructions. The information provided by companies in this respect is set out in Appendix 5;

- Government Agencies, including local councils, were requested to obtain confirmation from the Auditor General that the transactions reported in the template are in accordance with instructions issued by ZEITI, are complete and are in agreement with the accounts of government for the year 2011. The information provided by agencies in this respect is also set out in Appendix 5;
- the Auditor General was also required to provide a letter confirming that the accounts of the Government Agencies were audited in accordance with international standards; and
- for any changes made to the original data reported on the templates, the agencies and companies were asked to provide supporting documents and/or confirmation before any adjustments.

3.5. Basis of reporting

The reconciliation has been carried out on a cash accounting basis. Accordingly, any payment made prior to 1 January 2011 was excluded. The same applies to any payments made after 31 December 2011.

For the payments made in foreign currency, the reporting entities were required to report in the currency of payment.

The payments made in US Dollars have been converted to ZMW at the rate of USD 1: ZMW 4.86¹².

¹² International Monetary Fund, Zambia: Selected Economic Indicators, 2009–12

4. OVERVIEW OF THE EXTRACTIVE SECTOR IN ZAMBIA

4.1. Oil and Gas sector

4.1.1. Legal context

Zambia is richly endowed with mineral resources and is the largest producer and exporter of copper and cobalt in Africa. However it has also been increasingly engaged in exploration of its petroleum reserves. Zambia started embracing this vision in the early 1970's as a result of the rise in price of crude oil on the international markets and the dwindling revenue from the country's copper exports. The regulation of the sector began with the introduction of the Petroleum (Exploration and Production) Act 1985. This was repealed and replaced with the Petroleum (Exploration and Production) Act 2008. The first new licences issued under this act were in 2011.

The regulation of petroleum exploration and production is governed by the Petroleum (Exploration and Production) Act 2008 (Act no. 10 of 2008). Under this act, the key regulators include the Minister of Mines, the Petroleum Committee, the Petroleum Technical Committee and the Hydrocarbon Unit. The main regulator is the Ministry of Mines, who is also the issuing authority of all petroleum rights under the act. Despite wielding considerable power, the Ministry of Mines cannot act without coordinated input from other regulators. For instance, the Minister may not approve the grant or renewal of petroleum rights without first referring the matter to the Technical Committee for scrutiny. Similarly, the Technical Committee is tasked with making recommendations to the Petroleum Committee, without whose approval the Minister may not act.

The main sections included in the Petroleum Act 2008 are as follows:

- rights to conduct petroleum operations;
- petroleum exploration licences;
- discovery of petroleum in exploration areas;
- petroleum development and production licences;
- restriction on exercise of rights under licences and surface rights;
- surrender, cancellation or suspension of licences;
- transfers and registration;
- general provisions relation to holders of licences;
- safety, health and environmental protection;
- government revenues;
- hydrocarbon unit;
- petroleum committee;
- inspection;
- appeals; and
- general provisions.

4.1.2. Licensing

In December 2009, the Ministry of Mines opened a tender process for 23 blocks for oil and gas exploration. In 2011, 16 of these blocks were granted Petroleum Exploration licences to 12 organisations.

4.1.3. Taxation

Fees and rentals for the oil and gas sector are collected centrally through the Zambian Revenue Authority and include:

- fees for inspection of the register;
- application fees for the petroleum exploration licence and its renewal;
- application fee for a development and production licence;
- annual licence fee (production);
- annual licence fee (exploration); and
- surface rentals.

4.2. Mining Sector

4.2.1. Background and profile of the mining sector in Zambia

Zambia's mining sector plays a central role in the social and economic development of the country, which is a predominantly copper-producing nation and the largest producer of the mineral in Africa.

Zambia has a mining history which spans more than a hundred years including the late 1960's when it was the third largest producer of copper in the world. Mining was and remains central to the Zambian economy. It has played a key role in the economic and social development of the country.

Zambia has predominately been a copper mining country being the largest producer in Africa and the world's seventh copper producer. In the 1970's, copper production in Zambia reached 700,000 tons. Subsequently, falling copper metal prices caused annual production to drop to 200,000 tons in the late 1990's. Since early 2000, following completion of the privatisation of the mining sector, Zambia's mining sector has recovered sharply. In 2004 the two largest producers of metal mines, Kongola Copper Mines and Mopani Copper Mines, went through significant rehabilitation works which resulted in an increase in the production of minerals. Since 2000 foreign investment in the mining sector has increased and the Government is still awarding exploration licences.

In 2009 Zambia was estimated to be the second largest producer of mined cobalt metal³, strengthening the importance of copper production to the national economy.

Zambia holds some of the world's highest-grade copper deposits. Zambia was the world's sixth largest copper producer in 2011 with 819,574¹³ tonnes. With several forthcoming expansion plans, Zambia is viewed as a key growth area for copper production which is likely to rank the country under the top 5 highest copper producers globally going forward.

With the rising of prices of metals on the international commodity market spurred by increased demand for metals from Asia, especially from China, Zambia's copper production has surpassed its peak recorded in 1972 of 700,000 tonnes. Copper production is expected to reach 1,500,000 tonnes in 2016 on account of investment in rehabilitation of infrastructure and technological innovations in existing mines, new mining projects that are currently under development and the increased foreign investment it continues to attract.¹⁴

The mining sector is a crucial part of the Zambian economy, with the direct contribution to GDP of approximately 9.5% (2011), and the indirect contribution approximately 50%. (Bank of Zambia, 2011, p. 32–33, 35).

Cobalt export earnings, however, declined by 12.2% to US \$266.7 million from US \$303.8 million recorded the previous year, due to a decline in both export volumes and realised prices. Cobalt export volumes at 7,830.66 mt, were 9.4% lower than 8,640.91 mt recorded the previous year. Similarly, the realised price of cobalt fell by 7.0% to US \$32,693.17 per mt from US \$35,160.39 per mt in 2010. (Bank of Zambia, 2011, p. 23).

¹³ Ministry of Mines

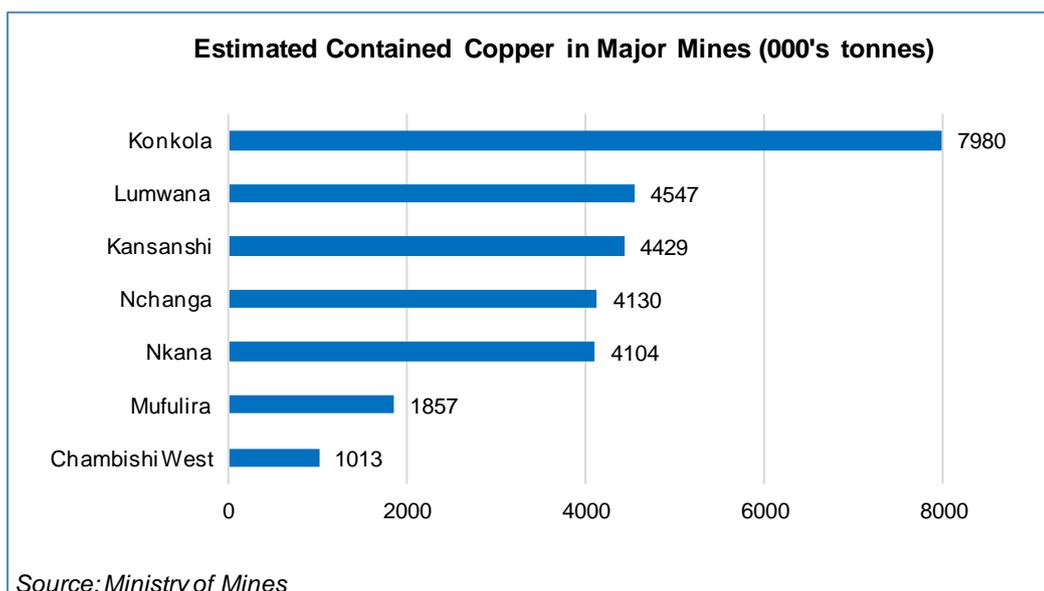
¹⁴ Zambia Mining Sector Profile 2013 – Zambia Development Agency

³ ZEITI Reconciliation Report 2010- February

4.2.2. Copper reserves

The Republic of Zambia (population over 12 million) is a landlocked country covering 752,600 km². It shares its Copperbelt with Katanga Province in the DRC across the border to the north. The Copperbelt is Zambia's mining base. The Copperbelt accounts for some 46% of the production and reserves of the Central African Copperbelt, the largest and highest grade sediment-hosted stratiform copper province known in the world.

Currently, the levels of production and exports remain modest compared to the estimates of reserves in the major mines:



4.2.3. Copper production statistics

There is no single source of definitive production data for Zambian copper output with statistics being published by the government/BOZ being considerably at odds with estimates produced by other reporting agencies like the International copper study group (ICSG), World Bureau of metal statistics (WBMS), US Geological survey (USGS), and Wood Mackenzie amongst others. We set out in the table below a non-exhaustive list copper production data from various sources:

000's Tonnes	2010	2011
Ministry of mines	763	820
Annual Economic Report - MoFNP	767	727
US Geological society	686	668
Wood Mackenzie	694	672

Companies were asked to submit production figures on the data collection templates, these figures were a voluntary declaration, and not to be reconciled to any information. The information published by companies generally distinguish between ore mined, concentrates and finished product, however the descriptions used by companies have not been defined sufficiently to identify homogeneous categories. It is essential to have more detailed information of this sort for proper transparency and understanding of the mining production and activity. For the sake of completeness, an outline of the 2011 production data from the extractive companies, as compiled by the Ministry of Mines will be considered in this report.

4.2.4. Profile of other mineral resources

Zambia has a broad spectrum of other mineral resources apart from the well known copper and cobalt deposit. Minerals such as gold, gemstones, a variety of industrial minerals and potential energy resources including uranium, coal and hydrocarbons exist and present excellent investment opportunities in the extraction and processing of these minerals in the country.

4.2.4.1. Metallic Minerals

Gold

The majority of the deposits are lode-type bodies associated with the Mwembeshi Shear Zone and related syntectonic intrusions. Significant gold mineralisation also occurs, variously with copper and uranium, in major thrust zones near the base of the Katanga succession. More than 300 gold occurrences have been recorded but most are only prospects. Largest historical producers are Dunrobin (990kg) and Matala (225kg) in the Mumbwa area, Jessie (390kg) in the Rufunsa area, and Sasare (390kg) in eastern Zambia.

Zinc and Lead

Carbonate-hosted Zn-Pb ore has been mined from the Kabwe deposit in central Zambia where 11Mt of ore averaged close to 25%Zn and 15%Pb. The strata bound mineralisation comprises massive, breccia and replacement sulphides within carbonate rocks marking the transition from Lower Roan to Upper Roan. Similar styles of mineralisation at the same stratigraphic position, some copper-rich, are evident through the Kabwe area and northwards to Kapiri Mposhi in central Zambia. Strata bound, probably exhalative, Cu-Pb-Zn deposits occur in Basement and Muva sequences in south-eastern Zambia. Carbonate hosted Pb-Zn mineralisation has also been recorded in Lower Roan limestone's in the Copperbelt and in Lower Kundelungu rocks in western Zambia.

Iron

Substantial resources of iron have been identified, occurring primarily as sedimentary ironstones in the lower-Katanga Mine Series successions of central and western Zambia. Total resources of more than 900Mt with iron content of more than 50% have been provisionally estimated, with some individual deposits up to 200Mt in size. Small, high-grade skarn and replacement deposits are associated with Pan-African felsic and mafic intrusions that have penetrated the lower Katanga succession in western Zambia particularly around the Hook Granite Complex.

Manganese

Occurrences are numerous but mostly small occurring as tabular, probably stratiform exhalative, deposits within Basement and Muva sequences, and supergene enrichments either capping low-grade sedimentary accumulations or concentrated within sub-vertical fractures of limited vertical extent. Currently small scale mining is being done in the Luapula Province in the north of Zambia, around a town called Mansa. Occurrences are also known around central Zambia stretching north wise towards the town of Mansa.

Nickel and Platinum Group Elements

Orthomagmatic nickel occurrences are known in the Basement sequences south and east of Lusaka. Sediment-hosted nickel deposits in Mwashia and Mine Series rocks of north-western Zambia are associated with gabbroic intrusions and often show evidence of hydrothermal enrichment. Also, minor platinum group elements are produced as a by-product of copper refining on the major Copperbelt mines and from the Munali deposit, south of Lusaka.

4.2.4.2. Gemstones

Diamonds

Alluvial diamonds have been reported throughout much of north-eastern and western Zambia. Kimberlite and lamproite intrusions occur within and near to the western flank of the Luangwa River and in southern Zambia but no diamond-bearing diatremes have yet been discovered.

Emeralds

Zambia produces about 20% of the world's emeralds and they are sought after due to their deep green colour. The gemstones are recovered exclusively from the Ndola Rural area of the southern Copperbelt where they are hosted by Muva-age talc schist's intruded by tourmaline- and phlogopite-bearing pegmatite bodies.

Other gemstones

Aquamarine and tourmaline are mined in the Lundazi and Nyimba areas of eastern Zambia where they occur in pegmatite's that were synchronous with the c.486Ma Sinda batholiths. Amethyst is currently being mined in the Mwakambiko Hills near Lake Kariba where it occurs in veins and stock works generated during late-Karoo or post-Karoo tectonism.

4.2.4.3. Industrial Minerals

Zambia is host to a range of industrial minerals which will help to support anticipated growth in the mining, manufacturing and agricultural sectors. Feldspars, silica sand, talc, barite, phosphate, limestone clays, dimension stone, graphite, gypsum, kyanite, asbestos, and fluorite are all present.

Feldspar

Feldspar is produced from two alkali-feldspar pegmatite deposits near Siavonga located in the southern part of the country and partially kaolinised pegmatite at Shipingu, near Kapiri Mposhi in central Zambia.

Sands

Sands of various specifications occur throughout Zambia but the only occurrence to have been exploited is a deposit of high-quality glass sand at Kapiri Mposhi in central Zambia.

Talc

Talc deposits in Zambia have not been extensively evaluated but range from talc derived during metamorphism of dolomites near Lusaka to a hydrothermally altered mafic to ultramafic intrusion, also in the Lusaka area and talc schist occurring in the footwall of copper mineralisation near Ndola.

Barite

A variety of barite deposit types are known, the most significant being the vein and replacement bodies hosted by red shale's and marls of the Mporokoso Group within the Luongo Fold and Thrust Zone of the Bangweulu Block.

Apatite

The most important potential source of phosphate occurs in significant concentrations in syenitic intrusions (Chilembwe deposit near Petauke in eastern Zambia) and carbonatite bodies (Kaluwe in the Rufunsa-Feira area and Nkombwa Hill at the northern end of the Luangwa Rift).

Limestone and dolomite

Limestone and dolomite are abundant in the area around Lusaka and these and other deposits in Southern, North Western, Northern, and Luapula Provinces of the country have been identified as being suitable for cement and agricultural use.

Clay deposits

A considerable number of deposits of ball clay and brick clay are known but they have rarely been subjected to bench tests and firing tests. Large deposits of ball clay occur at Solwezi in north-western Zambia and at Kasanka, 60km north of Serenje in central Zambia. Kaolinite-rich clays have been recorded at Masuku in southern Zambia and near Shiwa Ngandu in Mpika town in northern Zambia. Brick clays are exploited at an artisanal level throughout the country.

4.2.4.4. Energy Minerals

Uranium

Three significant types of uranium occurrence have been recorded in Zambia in Karoo sandstones associated with the copper mineralisation of the Copperbelt and structurally controlled mineralisation in the Basement domes of north-western Zambia. Uranium mineralisation in the Basement domes is variously accompanied by copper and gold and almost invariably occurs in kyanite-bearing schist's. These are now known to represent major thrust zones developed along the Basement-Katanga contact and propagated up-sequence both northwards and eastwards e.g. the Lumwana Malundwe deposit in north-western Zambia. Major exploration activities are underway in southern Zambia as well as around the Siavonga area in the Gwembe valley.

Coal

Zambia possesses substantial coal resources and has been producing coal since 1967 from the Maamba mine near Lake Kariba in southern Zambia. The Maamba deposit and other known coal occurrences are confined exclusively to the lower-Karoo Gwembe Formation, within a series of fault-controlled basins that comprise the Mid-Zambezi Rift Valley. Other thin coal seams and carbonaceous shale's have been identified in the Gwembe Formation of the Luangwa and Luano-Lukusashi Valleys and in the eastern part of the Barotse Basin in western Zambia¹⁵.

4.2.5. Legal context

The mining industry in Zambia is governed by the Mines and Minerals Development Act (Act No.7 of 2008) as amended by Statutory Instrument 84 of 2008, 34 of 2012 and 17 and 84 of 2013.

The Act is comprehensive and robust and covers areas such as:

- mining rights;
- the types of prospecting and mining licences and permits for large and small scale mining and gemstones;
- artisanal mining;
- mineral processing licences;
- gemstone sales certificate;
- general provisions relating to licences and permits;
- safety, health and environmental protection;
- geological services and mineral analysis;
- mining rights and surface rights;
- royalties and charges;
- administration;
- appeals; and
- general provisions.

4.2.5.1. Licensing

The mineral legislation of Zambia recognises an important distinction between large scale, small scale and artisanal mining. The key distinctions may be summarised as follows:

- Large scale mining- a prospecting licence, mining licence or gemstone licence may be issued to an international company although it is mandatory to have an office established in Zambia; the area for a prospecting licence may be up to 29,940 cadastre units (a cadastre unit is a quadrilateral of 3.34 ha) and for mining operations up to 7,485 cadastre units;
- Small scale mining- a prospecting licence, mining licence and gemstone licence may only be issued to a person who is a Zambian citizen or a citizen-owned company (as defined under the Mines & Minerals Development Act); the area for a prospecting licence may be up to 300 cadastre units and for mining operations up to 120 cadastre units;
- Artisanal mining- a licence is issued only for mining undertaken on a community basis and licence areas may be up to 2 cadastre units.

Minerals legislation also allows for the issue of Mineral Processing Licences and Gemstone Sales Certificates which regulate the processing, value-added upgrading and disposal of mineral production. The mining of industrial minerals can be undertaken through mineral rights issued only to Zambian citizens or citizen-owned companies.

¹⁵ Zambia Development Agency – Zambia Mining Sector Profile June 2013

Three types of licence are available to large-scale operators:

- Prospecting Licence: this confers the right to prospect for any mineral over any size of area for a period of two years and is renewable;
- Retention Licence: the right to retain an area, subject to the Minister's agreement, over which feasibility studies have been completed but market conditions are unfavourable to development of a deposit at that time. The size of the area may be that covered by a Prospecting License or a smaller area as redefined by the Licence holder. The duration of these licences is for three years, renewable for another single period of three years; and
- Large Scale Mining Licence: this confers exclusive rights to carry out mining operations and other acts incidental thereto in the area for a maximum of 25 years. The area to be held should not exceed the area reasonably required to carry out the proposed mining operations. Applications need to be accompanied by environmental protection plans and proposals for the employment and training of Zambian citizens.

Similar rights are available to smaller operators, but on a reduced scale.

- Prospecting Permits: relate to areas of 10 km² and have duration of 2 years non-renewable;
- Small Scale Mining Licences: relate to areas not exceeding 400 hectares and have a duration of 10 years renewable;
- Artisans Mining Rights: give the right to local people to mine on an artisanal scale an area not exceeding 5 hectares for a period of 2 years non-renewable; and
- Gemstone Licences: holders may carry out mining operations over an area not exceeding 400 hectares for a period of not more than 10 years¹⁶.

4.2.6. Environmental Framework

A framework for responsible development has also been created through publication of the Environmental Protection and Pollution Control (Environmental Impact Assessment) regulations, 1997. Key steps in establishing a project as laid down by these regulations are:

- preparation of a project brief to the Director of Mines Safety describing the site, proposed activities, and all aspects of potential environmental impact;
- the Director may request more information or can forward the project brief to the Environmental Council of Zambia recommending one of the following: rejection, acceptance after submission of a full Environmental Impact Statement, or the project be accepted and allowed to proceed immediately;
- preparation of an Environmental Impact Statement and its submission to the Director of Mines Safety;
- the Director of Mines Safety submits his recommendations to the Environmental Council which makes the final decision;
- Environmental Impact Statements, if called for, should be updated annually or within fifteen months of the first statement;
- environmental audits of projects to be completed annually;
- if a developer finds the provisions of any regulation unduly onerous, he may apply to the Minister or Director of Mines Safety for an exemption from these regulations. The exemption may be granted under prescribed conditions; and
- developers of large-scale mining projects are to contribute to the Environmental Management Fund for rehabilitation purposes.

¹⁶ <http://www.zambia-mining.com/law.html>

⁴ <http://www.zra.org.zm/commonHomePage.htm?viewName=IncomeTax>

⁵ <http://www.zambia-mining.com/tax.html>

4.2.7. Taxation

In Zambia, mining activities are enforced with a different tax treatment compared to other economic activities. Mining exploration and exploitation operations are subject to their own tax regimes, and these are separately tabulated at each annual budget speech. The budget is presented every second week of October by the Minister of Finance and National Planning.

The Income Tax Act (Chapter 323 of the Laws of Zambia), the Income Tax (Amendment) Act 2008, the Income Tax (Amendment) Act no. 27 2009, and the Mines and Minerals Development Act 2008 address capital allowances, mineral royalties, mining development agreements, the variable profits tax and the windfall tax.

The table below sets out the tax rates relevant to mining companies and provides a brief on how each category of tax or tax deduction is to be treated¹⁷:

Company tax (mining)	2010¹⁸	2011
Corporate tax		
Mining — Base metals/Gemstones/Precious metals	30%	30%
Other mining	30%	30%
Mineral royalty rates		
Base metals	3%	3%
Precious metals	5%	5%
Gemstones	5%	5%
Capital deductions		
Mining equipment and related capital expenditure	100%	100%
Pre-production capital expenditure	100%	100%
Environmental restoration costs	100%	100%
Commercial motor vehicles and other plant and machinery costs	25%	25%
Non-commercial motor vehicles	20%	20%
On mining operations	10%	10%
Konkola Copper Mines Plc	20%	20%
Prospecting and exploration	5%	5%
Other special incentives		
Import duty on certain mining equipment	Rebate	Rebate
VAT deferment scheme	Yes	Yes
Other rates		
Withholding tax on dividend payouts	15%	15%
Withholding tax on management fees to non-residents	15%	15%
Export duty on copper and cobalt concentrates	15%	15%
Export duty on all other unprocessed or semi-processed mineral ores	0%	0%
Withholding tax on royalties, interest and consulting fees	15%	15%
Thin capitalization threshold	3:1	3:1
Taxation of hedging income	Mining rate	Mining rate
Property Transfer Tax	0%	0%

¹⁷ Tax Regime & Incentives, Mining in Zambia, accessed on 28 May 2012

¹⁸ The new rates introduced by the 2008 mining fiscal regime for Mineral Royalties and Corporate tax are effective from 2011

Corporate tax

Corporate tax for mining companies is levied at a rate of 30 percent. However, there is a distinction drawn between a first tier of mining that includes base metals, precious metals and gemstones, and a second tier described as 'other mining' such as quarrying. The Zambian government recently ruled out the reintroduction of "windfall tax" on profits of mining companies further to the arrangement reached towards the end of 2010 between mining companies and the government. The windfall tax which was paid as arrears in 2011 and covered by this report totalled ZMW 421,187,110.

Mineral royalty tax

Three categories of mining royalties cover base metals, precious metals and gemstones. The rate included in Table 2 above is applied to the market value of the minerals extracted, minus the cost of smelting, refining, insurance, handling and transport from the mining area to the point of export to delivery within Zambia. Royalty payments may be deferred if the cash operating margin of the holder of a large scale mining license falls below zero.

Capital deductions

Mining equipment and related capital expenditure, pre-production capital expenditure and environmental restoration costs are all 100 percent deductible from profit before tax (PBT) in arriving at the taxable profit of a mining company. Other deductions from PBT at various rates include:

- 25% on commercial motor vehicles and other plant and machinery
- 20% on non-commercial motor vehicles

Mining companies are also allowed to carry forward losses arising from prospecting and exploration in prior periods to offset against future periods to a maximum of 5 years, and losses arising from operations in prior periods to a maximum of 10 years (with the exception of Konkola Copper Mines Plc — 20 years).

Relief from other surcharges

A mining right holder is exempt from customs, excise and value-added tax duties in respect of all machinery and equipment (including specialised motor vehicles) required for exploration or mining activities.

Remission

There are no restrictions relating to the amount of profits, dividends or interests that may be sent abroad, except that a withholding tax of 15% applies.

Property Transfer Tax (PTT)

PTT is charged at 5% on the realised value of the property being transferred. It is payable by the transferor. The Government has proposed to introduce PTT at 10% on the transfer or sale of a mining right granted under the Mines and Minerals Development Act 1994, effective as from 1 January 2013.

5. DETERMINATION OF THE RECONCILIATION SCOPE

Our work included a general understanding of the extractive sector in Zambia. We also consulted with Government Agencies in order to collect relevant information on the size of the extractive sector in Zambia and its contribution to the economy and to government revenues, as a part of the process to establish the prospective scope of the 2011 reconciliation.

We have taken into account all the available information presented to us during our fieldwork including the subsequent comments and information of the Zambia EITI Council.

5.1. Sectors and Activities

5.1.1. Oil & Gas Sector

According to the information made available by MMEWD, there were no activities carried out by extractive companies during 2011 in the Oil and Gas sector. GRZ has recently started prospecting for Oil and Gas.

The Geological Survey Department (GSD) of MMEWD has confirmed that sixteen (16) petroleum exploration licenses were issued for 12 companies in 2011. GSD has also confirmed that there was no contract signed between the Government and oil and gas companies and there were no gas and oil signature bonuses paid in 2011.

Exploration license holders would only pay ZMW 4.75 k for the application fee, ZMW 50 million for the annual licence fee and ZMW 4 k of area charge per square kilometre which are considered to be non material payments.

As a result, we proposed to include the Oil & Gas Sector in the 2011 EITI report via the disclosure by Government Agencies of the combined benefit stream from Oil and Gas operator listed in Annex 5.

5.1.2. Mining sector

We examined the information from MMEWD, ZRA and other published sources for:

- licensed companies;
- annual production; and
- the contribution of the mining sector.

a. Active licence

According to data provided by MMEWD, there are 1,468 mining licences which were active in 2011 totalling 991 operating entities (companies and individuals). The types of licences are set out in the table below:

Code	Description	Active licences in 2011	No. of holders
AMR	Artisanal Mining Rights	44	37
GML	Gemstone Mining Licences	182	168
LML	Large Scale Mining Licences	65	37
LPL	Prospecting Licences	550	283
SML	Small Scale Mining Licences	358	262
SPP	Prospecting Permits	269	204
Total		1 468	991

b. Production

The Annual Economic report published by MoFNP shows the following production:

Table 7: Mineral production from Major Mines, 2009-2011

Commodity	2009	2010	2011	%Change 2010/11
Cobalt (Mt)	1,462	2,127	1,652	(22.3)
Copper (Mt)	661,179	767,008	727,475	(5.2)
Gold (Kg)	2,889	1,985	1,940	(2.3)
Nickel (Mt)	-	2,818	2,684	(4.8)

The report states that in addition to the copper produced by the major mines in 2011, 79,815 Mt was produced by small scale miners resulting in a total national copper production of 807,290 Mt.

Information from, MoFNP, MMEWD and Mining companies gives an appreciation of the size of the mining industry in Zambia. We have highlighted discrepancies between the various published information and a need of consistency of definition that should be considered in the next report.

c. Contribution of the mining sector

(i) To the Zambian Economy

The contribution of the mining industry, in percentage terms, to the Zambian economy is shown in the table below:

Economic Activity	2009	2010	2011	Period Average
Primary Sector	23.4	23.8	22.9	23.4
Agriculture, Forestry and Fishing	20.8	20.1	19.4	20.1
Mining and Quarrying	2.6	3.7	3.5	3.3
Secondary Sector	30.4	31.7	33.0	31.7
Manufacturing	9.3	8.7	8.1	8.7
Electricity, Gas and Water	2.8	2.8	3.1	2.9
Construction	18.3	20.2	21.8	20.1
Tertiary Sector	45.9	45.5	43.8	45.1
Wholesale and Retail Trade	15.3	14.4	13.7	14.5
Restaurants, Bars and Hotels	2.4	2.4	2.2	2.3
Transport, Storage and Communications	3.6	4.0	3.8	3.8
Financial Institutions and Insurance	8.6	8.7	8.1	8.5
Real Estate and Business Services	5.7	5.5	5.6	5.6
Community, Social and Personal Services	10.3	10.5	10.4	10.4

Source: GRZ CSO National Account Statistics

(ii) To Government revenues

The Annual Financial Report published by MoFNP does not include information on the contribution of the extractive sector to overall government revenue. Nevertheless, the report includes some information highlighted in respect of the mining sector as detailed below:

	2010 (ZMW)	2011 (ZMW)	%Variation
Total receipts:	17,492,614,804	24,516,056,510	40%
Of which Taxation:	12,743,170,044	18,414,001,941	45%

Based on the 2009 and 2010 EITI Reports figures, contribution to government revenues from the mining sector is shown in the following table:

	2009 (ZMW'million)	2010 (ZMW'million)	Variation
Total Taxation	9,660	15,198	57%
EITI Report (reported by Government)	2,526	3,785	50%
Extractive sector proportion	26.1%	24.9%	(5)%

5.2. Payment flows

During the scoping study, we consulted Government Agencies which received flows from the extractive sector.

5.2.1. Zambia Revenue Authority

The Zambia Revenue Authority (ZRA) 2011 income, as reported during the scoping study, shows 8 types of taxes paid by 131 extractive companies operating in the mining sector. These companies included both those holding licences and mining rights and those which provide services to the mining industry. We note that 45 companies belonging to the latter category which made a total payment of ZMW 300 million were excluded.

The table below is a summary of the taxes paid by the mining companies to the Large Taxpayers office and the Customs Office of ZRA during 2011:

No.	Category	Amount ¹⁹ (ZMW')	Cumulative (ZMW)	Cumulative in %
1	Provisional Tax(*) (i)	1,895,231,134	1,895,231,134	25,76%
2	Mineral Royalty Tax (i)	1,449,621,000	3,344,852,134	45,47%
3	Company Tax (i)	1,399,929,508	4,744,781,642	64,50%
4	Pay as you earn (i)	895,533,759	5,640,315,401	76,67%
5	Import VAT (i)	798,571,589	6,438,886,990	87,53%
6	Windfall Tax (ii)	407,105,110	6,845,992,100	93,06%
7	VAT (i)	204,497,667	7,050,489,767	95,84%
8	Customs Duty (i)	195,532,034	7,246,021,801	98,50%
9	WHT (i)	90,783,414	7,336,805,215	99,74%
10	Excise Duty-Import (i)	9,629,553	7,346,434,768	99,87%
11	Asycuda Processing Fee (iii)	3,811,087	7,350,245,855	99,92%
12	Examination Fees(iii)	3,573,000	7,353,818,855	99,97%
13	Advance Income Tax (ii)	1,727,579	7,355,546,434	99,99%
14	Property Transfer Tax (i)	298,201	7,355,844,635	100,00%
15	Motor vehicle Fees (iv)	113,595	7,355,958,230	100,00%
16	Fuel Levy (iv)	70,663	7,356,028,893	100,00%
17	Turnover Tax (iv)	53,637	7,356,082,530	100,00%
18	Carbon Emission Surtax (iv)	50,050	7,356,132,580	100,00%
19	Export Duty (iv)	11,749	7,356,144,163	100,00%
Total		7,356,144,329		

-(*) Compulsory instalments paid during the year as an advance on the company tax

-(i) to (iv) : refer to the recommendations on the following page

¹⁹ Data not reconciled collected during the scoping phase

Given the significant amount of taxes paid to ZRA, our selection of material payments and companies was based on the amount of revenue collected by ZRA. We also made the following recommendations:

- (i) maintain the list of payment flows selected for the 2010 reconciliation;
- (ii) add Windfall Tax and the Advance Income Tax in the 2011 reconciliation exercise as these payments represent 5.6% of ZRA's total income collected from extractive companies;
- (iii) exclude Asycuda processing fees and Examination fees which are paid to ZRA for registering goods imported into Zambia. This payment does not fall under the tax category but is rather a fee for a public services provided (in the same manner as electricity, water, telephone, etc.); and
- (iv) exclude Motor Vehicle Fees, Fuel Levy, Turnover Tax and Carbon Emission Surtax which do not present material flows with less than 0.03% of the total payment to ZRA.

In the 2009 and 2010 reconciliation exercises, extractive companies reported amounts payable in export levies. This tax is levied at 10% on concentrate minerals and could be material for the 2011 reconciliation. We therefore proposed to include the Export Levy Tax in the 2011 reconciliation scope.

5.2.2. Ministry of Local Government and Housing (Sub national payments)

The contribution from the Ministry of Local Government and Housing (MOLGH), and specifically the Local Councils, were restricted to two fees as per the 2009 and 2010 Reconciliation Exercises:

- Property rates; and
- Annual Business Fee.

The selection of these fees was not based on an assessment of information collected in respect of 2011, since MOLGH did not provide any information at the time of conducting the scoping study.

These payments are immaterial in the context of Zambia EITI Reconciliation Exercise, but they are included because they are important to the areas served by local councils.

5.2.3. Ministry of Mines, Energy and Water Development

According to the Cadastre Department there are 12 categories of fees and charges payable by mining companies to MMEWD. These fees and charges are set out in the table below:

No.	Category
1	Application Fees (New and Renewals)
2	Licence Fees (New and Renewals)
3	Area Charges
4	Application Fees - Compliance
5	Licence Fees - Compliance
6	Alteration - Application Fee
7	Alteration - Licence Fee
8	Transfer Application Fee
9	Transfer Licence Fees
10	Search and Other Fees
11	Environmental Protection Fund
12	Annual Operating Permits

According to the table above we can regroup the fees and charges payable to MMEWD in six (6) categories:

No.	Category
1	Area Charges
2	Application Fees
3	Licence Fees
4	Valuation fees
5	Payments made to the Environmental Protection Fund
6	Annual Operating Permits.

We did not receive information on the receipts and taxes for 2011 from MMEWD during the scoping study. As a result the same payment flows selected for the 2009 and 2010 reconciliation exercises have been maintained for the 2011 EITI reconciliation scope.

5.2.4. Ministry of Lands

Four types of fees are payable to the Ministry of Lands by mining companies:

No.	Category
1	Ground Rent
2	Consideration Fees
3	Registration Fees
4	Preparation Fees

All of the above fees were included in the 2011 reconciliation scope in order to ensure completeness of income.

5.2.5. Ministry of Finance and National Planning

According to the GRZ Financial Report for the year ended 31 December 2011, the state-owned companies included entities operating in the mining sector are as follows:

Entity	Shareholding by GRZ (%)
ZCCM-IH	87.6
Kagem Mining Company	20.0
Kariba Minerals Limited	50.0

Dividends received from state owned companies as well as the revenues received from the sale of the GRZ shareholding in these companies (if applicable) were included in the 2011 reconciliation exercise.

No payment flows related to barter arrangements involving infrastructure works as set out in EITI Requirement 9-f have been identified nor confirmed by MoFNP.

5.2.6. ZCCM-IH

ZCCM Investments Holdings Plc (ZCCM-IH) is an investment holding company quoted on the Lusaka, London and Euronext Stock Exchanges. The majority of its investments are held in other Zambian mining companies in the copper mining sector. The Company's shareholders are the Government of the Republic of Zambia with 87.6% shareholding while private investors cumulate shareholdings of 12.4%.

The 2011 investment portfolio for ZCCM-IH comprises primarily investments in Zambian mining companies detailed as follows:

Mining company	Shares held by ZCCM-IH (%)
Ndola Lime Limited	100
Maamba Collieries Ltd	100
Konkola Copper Mines Plc	20.6
Kansanshi Mining Plc	20
Luanshya Copper Mines Plc	20
NFC Africa Mining Plc	15
Chibuluma Mines Plc	15
Chambishi Metals Plc	10
Mopani Copper Mines Plc	10
Equinox Minerals (*)	2.97 (sold in 2011)
Albidon Zambia Ltd	1.61

Source: 2010 ZCCM-IH Annual report

ZCCM-IH is a state owned company and therefore all material payments to this entity should be included in the reconciliation scope according to EITI Requirement 15.

The following revenue streams are accordingly included in the 2011 reconciliation scope:

No.	Category
1	Dividends from ZCCM-IH Shares
2	Price participation fees
3	Revenues from ZCCM-IH shareholding sale
4	Revenues from ZCCM-IH mining rights transfer

(*) Although Equinox was not included in the reconciliation scope, as the Canadian mining company is not based in Zambia in which it operates only through its subsidiary the Lumwana Mining Company, ZCCM-IH was requested to report receipts from the sale of its shares in Equinox concluded in 2011.

5.2.7. Social payments

These consist of all contributions made by extractive companies to promote local development and to finance social projects in line with EITI Requirement 9. This Requirement encourages multi stakeholder groups to apply a high standard of transparency to social payments and transfers, the parties involved in the transactions and the materiality of these payments and transfers to other benefit streams, including the recognition that these payments may be reported even though it is not possible to reconcile them.

These contributions can be voluntary or non-voluntary and can be made in cash or in kind depending on individual contracts. This category includes, inter alia: health infrastructure, school infrastructure, road infrastructure, market gardening infrastructure, projects related to promotion of agriculture and the grants provided to the population.

The social payments are included in the 2011 EITI scope through a unilateral disclosure of mining companies. These payments can be summarised as follows:

No.	Category
1	Corporate Social Responsibility in kind payments
2	Corporate Social Responsibility cash payments

5.2.8. Sub national Transfer

In accordance with Section 136 of the Mines and Minerals Development Act 2008, the Minister of Finance shall, in consultation with the Minister responsible for Mines, establish a mineral royalty sharing mechanism for distributing royalty revenues.

However, we note that there is no provision within the legislation as to what this mechanism should be, thus leaving a legal vacuum on the modalities of the handover and the percentage that should be transferred by the central government.

As a result, sub national transfers have yet to be formalised and remains ineffective.

5.3. Extractive companies

As mentioned in Section 5.1, only the Mining Sector is included in the 2011 reconciliation exercise.

5.3.1. Materiality threshold

The information provided to us during the scoping study and related to the 2011 tax collection was limited to the payments received by ZRA from the mining sector. Nevertheless we set out in the table below the tax collection per Government Agency based on the 2009 and 2010 EITI reconciliation exercises:

Government Agency	Amount 2009 (ZMW'000)	%	Amount 2010 (ZMW'000)	%
ZRA	2,526,135	98.2%	3,725,547	98.4%
MMEWD	11,013	0.4%	15,665	0.4%
MoL	140	-	21	-
MoLGH	35,014	1.4%	44,086	1.2%
Total revenues	2,572,302		3,785,319	

From the above table, we can conclude that ZRA is the main recipient of payments from the mining sector. As a result, the materiality has been based on payments made by mining companies to the Large Taxpayer Office of ZRA.

The Large Taxpayers Office and the Customs Office of ZRA provided information on receipts during 2011 from the mining sector which amounted to ZMW 7,655.9 million from 131 companies operating in the extractive sector, including mining services companies.

For each company where ZRA reported receipts in 2011, we reviewed the licensing information provided by the Mining Cadastre and identified companies which had active licenses or had made royalties payments, categorising them as “mining companies” and “non mining companies”. The classification has been confirmed by the Mining Cadastre for companies where ZRA reported receipts in 2011 exceeding ZMW 2 million.

Based on the above, the profile of payments to ZRA is set out in the following table:

Payment threshold	Mining Companies		Non Mining Companies	
	Number of companies	Revenue collected by ZRA (ZMW)	Number of companies	Revenue collected by ZRA (ZMW)
Amount > ZMW 500 million	4	6,086,646,616	-	-
ZMW 100 million <Amount <ZMW 500 million	3	728,506,775	-	-
ZMW 50 million <Amount <ZMW 100 million	3	249,238,737	1	86,101,476
ZMW 10 million <Amount <ZMW 50 million	9	220,456,741	7	171,775,005
ZMW 5 million <Amount <ZMW 10 million	6	47,658,938	3	27,854,715
ZMW 2 million <Amount <ZMW 5 million	2	7,567,256	2	6,879,562
ZMW 1 million <Amount <ZMW 2 million	7	9,548,321	3	3,636,193
ZMW 0.5 million <Amount <ZMW 1 million	3	1,968,794	2	1,577,655
Amount <ZMW 0.5 million	49	4,552,151	27	1,935,735
Total	86	7,356,144,329	45	299,760,341

The profile of payments to ZRA in 2011, based on receipts from mining companies after excluding the mining services contractors, is set out in the following table:

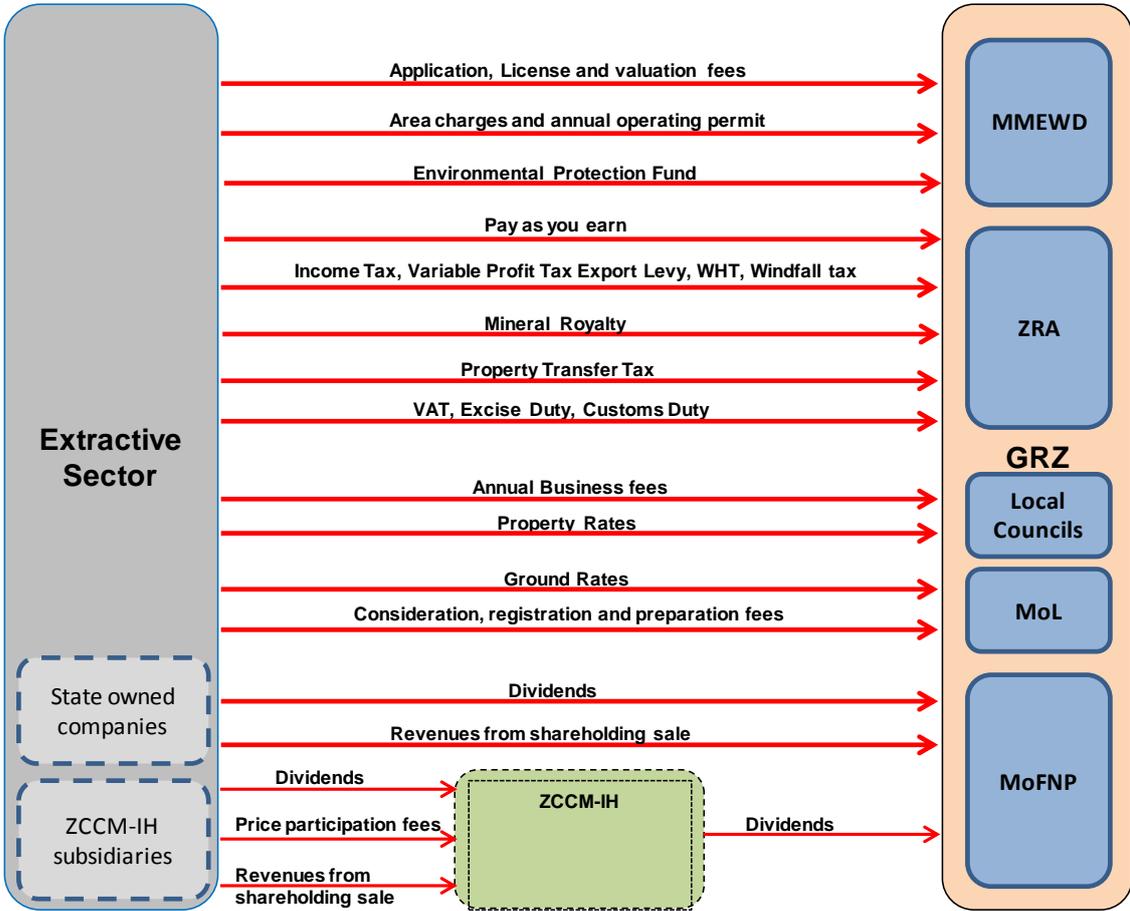
Threshold	Number of companies	Revenue collected by ZRA (ZMW)	Weight / total collected revenue	Cumulative weighting
Amount > ZMW 500 million	4	6,086,646,616	82.74%	82.74%
ZMW 100 million <Amount <ZMW 500 million	3	728,506,775	9.90%	92.65%
ZMW 50 million <Amount <ZMW 100 million	3	249,238,737	3.39%	96.03%
ZMW 10 million <Amount <ZMW 50 million	9	220,456,741	3.00%	99.03%
ZMW 5 million <Amount <ZMW 10 million	6	47,658,938	0.65%	99.68%
ZMW 2 million <Amount <ZMW 5 million	2	7,567,256	0.10%	99.78%
ZMW 1 million <Amount <ZMW 2 million	7	9,548,321	0.13%	99.91%
ZMW 0.5 million <Amount <ZMW 1 million	3	1,968,794	0.03%	99.94%
Amount <ZMW 0.5 million	49	4,552,151	0.06%	100.00%
Total	86	7,356,144,329	100.00%	

According to the table above, the companies paying taxes of more than **ZMW 2 million** represent **99.78%** of the total revenue collected by ZRA from companies operating in the extractive sector. The 2010 reconciliation set a materiality threshold ZMW 2.5 million in order to cover 99.6% of initially reported payments to ZRA (on the basis of selecting all companies making payments in excess of ZMW 2.5 million to ZRA).

The materiality threshold recommended above means that mining companies making **99.78%** of reported payments to ZRA will be included in the reconciliation i.e. all companies making payments to ZRA in excess of **ZMW 2 million** (approx.USD 0.4 million). Accordingly 27 mining companies were selected for the 2011 reconciliation exercise.

For mining companies which have made payments to ZRA falling below ZMW 2 million, we suggested a unilateral disclosure of revenues streams collected by Government Agencies and ZCCM-IH in accordance with the option set up by the EITI Requirement 11-b. These companies are listed in Annex 2 of this report.

5.4. Flow chart of payment flows



6. RECONCILIATION SCOPE

Based on the scoping study, ZEC agreed that the reconciliation should cover the following areas.

6.1. Taxes and revenues covered

According to the section above, the flows included in the 2011 reconciliation scope may be summarised as follow:

Ref	Type of Tax	Description
MMEWD		
1	Application Fees	Fees paid when applying for a prospecting license or mining license.
2	Licence Fees	Fees payable by an applicant of mining rights to be granted a mining license or permit.
3	Area Charges	Fees payable by all Extractive Companies to the MMEWD in order to procure the appropriate permit to undertake the mining operations.
4	Valuation Fees	Fees paid for laboratory analysis of mineralogical samples.
5	Annual Operating Permit	Annual fee payable by all Extractive Companies to the MMEWD in order to procure the appropriate permits from the director of Mines Safety to undertake mining operations.
6	Environmental Protection Fund	Fee charged to the Extractive Companies for environmental rehabilitation purposes.
7	Other fees & charges	A heading to be used by Government Agencies and mining companies in case there were any material receipts or payments not listed elsewhere on the ZEITI template (> ZMW 50 million).
ZRA		
8	Pay- As-You-Earn	This is a tax paid by employees on all their emoluments. The employer acts as an agent for the Government and deducts the tax from the employee emoluments and remits to ZRA.
9	Import VAT	Value Added Tax paid by the Extractive Companies on the import of goods into Zambia.
10	Mineral Royalty	A royalty is payable calculated at 3% of the market value of minerals FOB less the cost of smelting, refining and insurance, handling and transport from the mining area to the point of export or delivery within Zambia. Royalty payments may be deferred if the cash operating margin of a holder of a Large Scale Mining falls below zero.
11	Company Income Tax (including Provisional Tax)	All Extractive Companies are taxed on their taxable income which is determined in line with the Zambian Income Tax Act. Income in this case relates to revenue less all tax allowable expenditure. The company tax rates are 30% for mining incomes and 35% for hedging incomes. This line includes also the compulsory instalments paid during the year as a provisional tax.
12	VAT	This payment type refers to the net Output VAT payable by the Extractive Companies, after taking into account Input VAT incurred on business purchases and/or business expenditure.
13	Import/Customs Duty	Customs/Import duty is a tax levied on ZRA specified goods imported into Zambia.
14	Withholding Taxes	This is a tax where any person or company making certain payments is required to deduct from such payments and remit to ZRA. The payments that attract WHT include management and consultant fees, commissions, rent dividends and payments to non-resident contractors. The WHT rate is 15%.
15	Excise Duty	Excise duty is a tax levied on ZRA specified goods imported into Zambia.
16	Property Transfer Tax	This is a tax paid upon the sale or transfer of property by the person selling or transferring the property based on the value of the property. Property in our case refers to land, buildings, shares and mining right (effective 1 January 2013).
17	Wind Fall Tax	A tax levied against extractive industries triggered by favourable global economic conditions which allows these industries to experience above average commodity prices. This tax was introduced by the Mines and Minerals Act 2008 and abolished on 1 April 2009. After discussion with the Government, the mining companies have agreed to pay their tax arrears arising from the changes that were introduced in 2008. The Windfall arrears were re-assessed at 25% only to ensure that the assessed total liability does not exceed the 47% effective tax rate intended by the Government.
18	Variable profit Tax	This is a tax on company profits charged under the Income Tax Act. The company tax rate is 30%. Variable profit tax rate applies for profits that go above 8% of the gross sales. ZRA has a formula to calculate the variable profit above the threshold. Variable profit tax can go up to a maximum of 45%.
19	Advance Income Tax	A 6% advance income tax is levied on commercial imports, subject ministerial remission. Where paid, this tax may be deducted from the taxpayer's final income tax for the fiscal year.
20	Export Levy	This tax is levied at 10% on concentrate minerals.

Ref	Type of Tax	Description
20	Other taxes (ZRA)	A heading to be used by Government Agencies and mining companies in case there were any material receipts or payments not listed elsewhere on the ZEITI template (> ZMW 50 million).
Local Councils		
21	Annual Business Fees	Operating fees paid to the local councils in which the Extractive Companies operate.
22	Property Rates	Property taxes payable to the local authority by all Extractive Companies who own properties.
MoL		
23	Ground Rent	Annual lease payments made to the Ministry of Lands in respect of leasehold property owned by the Extractive Companies.
24	Consideration Fees	These are fees paid to show that the offeree to land has accepted the offer. They are only paid once at the beginning when the land has been offered. In short, payment of these fees symbolises acceptance of offer to buy land.
25	Registration Fees	These are service charges that go towards the process of registration and formulation of the certificate of title at the Lands Deeds Department.
26	Preparation fees	These are service charges towards the preparation of the lease document by the office of the Commissioner of Lands before it goes to the Lands and Deeds Department for final registration and formulation.
MoFNP		
27	Dividends from Government Shares	This is the distribution of profits in proportion to the shares directly held in the Extractive Company and ZCCM-IH by GRZ.
28	Revenues from GRZ shareholding sale	This is the revenues received by GRZ from the transfer of the shares held in State owned companies operating in mining sector.
ZCCM-IH		
29	Dividends from ZCCM-IH Shares	This is the distribution of profits in proportion to the shares directly held in the Extractive Company by ZCCM-IH.
30	Price participation fees	Price participation fees received from the companies in which it has shareholding.
31	Revenues from ZCCM-IH shareholding sale	This is the revenues received by ZCCM-IH from the transfer of the shares held in Extractive Companies operating in Zambia including in their parent companies (Exp : Equinox Minerals Limited).
32	Revenues from ZCCM-IH mining rights transfer	This is the revenue received by ZCCM-IH from the transfer of the mining rights held.
Social Payments		
33	Corporate Social Responsibility In kind payments	These flows affect all mandatory or voluntary contributions made by extractive companies in the local development area covered in this section include: expenditures incurred by extractive companies to finance infrastructure projects, health, education, roads, and market gardening for the individuals.
34	Corporate Social Responsibility cash payments	These flows relate to all mandatory or voluntary contributions made by extractive companies in the local development. Flows covered in this section include: cash payments made by extractive companies to support actions of local communities including compensation and indemnification others that those granted directly for the individuals.

6.2. Extractive companies

According to the materiality threshold proposed in the section above, **twenty-seven (27)** companies are selected for the 2011 reconciliation exercise. These companies are listed below:

N°	Name of Extractive company
<u>Operating and exploring companies</u>	
1	First Quantum Mining And Operations Ltd(*)
2	Lumwana Mining Company Limited (*)
3	Ndola Lime Company Ltd (*)
4	Albidon Zambia Ltd (*)
<u>Operating companies</u>	
5	Konkola Copper Mines Plc (*)
6	Kansanshi Mining Plc (*)
7	Mopani Copper Mines Plc (*)
8	NFC Africa Mining Plc (*)
9	Chibuluma Mines Plc (*)
10	Chambishi Metals Plc (*)
11	Chambishi Copper Smelter Ltd(*)
12	CNMC Luanshya Copper Mines Plc (*)
13	Scirocco Enterprises Ltd(*)
14	Kagem Mining Ltd (*)
15	Sino-Metals Leach Zambia Ltd (*)
16	Grizzly Mining Ltd (**)
17	Universal Mining & Chemical Industries Ltd (**)
18	Maamba Collieries Ltd (*)
19	Lafarge Cement Zambia Plc (*)
20	San He Zambia Ltd (*)
<u>Exploring companies</u>	
21	Konnoco Zambia Limited (i)
22	BHP Billiton World Exploration Inc (*)
23	Zambian Nonferrous Metals Exploration & Con Co Ltd (*)
24	Sable Zinc Kabwe Limited
25	Kalumbila Minerals Limited
26	Lubambe Copper Mine Limited (i)
<u>State owned Company</u>	
27	ZCCM-IH (*)

(*)Companies included in the 2010 reconciliation report.

(**)Companies included in the 2009 reconciliation report.

(i) After discussions with ZRA, Lubambe Copper Mine Limited and Konnoco Zambia Limited constitute the same economic entity registered under the TPIN n°“1000003722701”. The final scope therefore covers only 26 mining companies.

6.3. Government Agencies

Based on the scope detailed above, the Government Agencies that were required to report for the 2011 EITI Report are:

Central Agencies	
1	Zambian Revenue Authority (ZRA)
2	Ministry of Mines, Energy and Water Development
3	Ministry of Lands
4	Ministry of Finance and National Planning
Stated owned company	
5	ZCCM-IH
District Councils	
6	Mufuriradi Municipal Council
7	Kalulushi Municipal Council
8	Kalomo District Council
9	Kitwe City Council
10	Chililabombwe Municipal Council
11	Luanshya Municipal Council
12	Chingola Municipal Council
13	Kabwe District Council
14	Mazabuka Municipal Council
15	Ndola City Council
16	Lufwanyama District Council
17	Lusaka City
18	Mumbwa Council
19	Sinazongwe District Council
20	Solwezi Municipal Council
21	Kafwe District Council

7. RESULTS OF THE RECONCILIATION

7.1. Reporting by extractive companies and Governmental Bodies

We provide in the tables below summaries of the aggregate discrepancies noted between the amounts reported by the extractive companies and the receipts reported by the different Governmental Agencies.

These tables include the aggregate net amounts originally reported by each extractive company and the Governmental Agencies, the resultant discrepancies, and the adjustments made by us following our reconciliation. Detailed reports for each extractive company are included in Annex 7 of this report.

Amounts in ZMW

No.	Company	Templates originally lodged			Adjustments			Final amounts		
		Extractive company	Govt	Difference	Extractive company	Govt	Difference	Extractive company	Govt	Difference
1	KONKOLA COPPER MINES PLC	643,866,163	880,006,782	(236,140,619)	123,325,588	21,786,276	101,539,312	767,191,751	901,793,058	(134,601,307)
2	KANSANSHI MINING PLC	4,242,444,931	4,204,180,018	38,264,913	(980,774)	37,181,517	(38,162,291)	4,241,464,157	4,241,361,535	102,622
3	MOPANI COPPER MINES PLC	573,559,747	567,402,839	6,156,908	(6,557,076)	(850,334)	(5,706,742)	567,002,672	566,552,505	450,167
4	FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	539,591,693	385,369,648	154,222,045	43,107	3,592,940	(3,549,833)	539,634,800	388,962,587	150,672,213
5	LUMWANA MINING COMPANY LIMITED	676,130,331	628,576,441	47,553,890	2,216,652	49,489,359	(47,272,707)	678,346,984	678,065,800	281,184
6	NFC AFRICA MINING PLC	101,977,967	104,685,376	(2,707,409)	-	2,025,658	(2,025,658)	101,977,967	106,711,034	(4,733,067)
7	CHIBULUMA MINES PLC.	136,583,736	267,369,507	(130,785,771)	90,380,509	3,777,855	86,602,654	226,964,245	271,147,362	(44,183,117)
8	CHAMBISHI COPPER SMELTER LIMITED	34,232,551	29,212,781	5,019,770	-	7,474,777	(7,474,777)	34,232,551	36,687,558	(2,455,007)
9	NDOLA LIME COMPANY LIMITED	42,574,591	43,752,690	(1,178,099)	-	537,133	(537,133)	42,574,591	44,289,823	(1,715,232)
10	CHAMBISHI METALS PLC	55,053,343	55,621,089	(567,746)	512,261	43,563	468,698	55,565,604	55,664,652	(99,048)
11	CNMC LUANSHYA COPPER MINES PLC	107,518,332	104,836,333	2,681,999	2,412,972	(450,000)	2,862,972	109,931,304	104,386,333	5,544,971
12	SCIROCCO ENTERPRISES LIMITED	4,804,604	9,539,299	(4,734,695)	-	-	-	4,804,604	9,539,298	(4,734,694)
13	KAGEM MINING LIMITED	20,054,650	20,332,982	(278,332)	273,489	180	273,309	20,328,139	20,333,162	(5,023)
14	SINO-METALS LEACH ZAMBIA LTD	10,698,241	12,090,820	(1,392,579)	(14,820)	-	(14,820)	10,683,421	12,090,820	(1,407,399)
15	ALBIDON ZAMBIA LIMITED	26,673,003	28,562,870	(1,889,867)	-	-	-	26,673,003	28,562,870	(1,889,867)
16	GRIZZLY MINING LIMITED	3,836,455	4,234,021	(397,566)	-	-	-	3,836,455	4,234,021	(397,566)

No.	Company	Templates originally lodged			Adjustments			Final amounts		
		Extractive company	Govt	Difference	Extractive company	Govt	Difference	Extractive company	Govt	Difference
17	Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	7,505,913	7,442,384	63,529	-	-	-	7,505,913	7,442,384	63,529
18	UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	8,061,957	7,894,338	167,619	-	-	-	8,061,957	7,894,338	167,619
19	Sable Zinc Kabwe Limited	7,358,561	10,375,702	(3,017,141)	-	-	-	7,358,561	10,375,702	(3,017,141)
20	SAN HE (ZAMBIA) LIMITED	2,943,147	3,297,419	(354,272)	-	-	-	2,943,147	3,297,419	(354,272)
21	BHP BILLITON WORLD EXPLORATION INC	-	9,816,256	(9,816,256)	-	-	-	-	9,816,256	(9,816,256)
22	Kalumbila Minerals Limited	(30,613,489)	10,472,249	(41,085,738)	32,530,545	(311,643)	32,842,188	1,917,056	10,160,606	(8,243,550)
23	Lubambe Copper Mine Limited	62,630,346	7,704,057	54,926,289	(5,642,212)	41,019,933	(46,662,145)	56,988,134	48,723,990	8,264,144
24	MAAMBA COLLIERIES LIMITED	28,035,160	26,892,306	1,142,854	(653,539)	-	(653,539)	27,381,621	26,892,306	489,315
25	LAFARGE CEMENT ZAMBIA PLC	102,481,017	120,566,127	(18,085,110)	18,637,549	664,386	17,973,163	121,118,566	121,230,513	(111,947)
26	ZCCM-IH	8,439,265	5,554,499	2,884,766	-	300	(300)	8,439,265	5,554,799	2,884,466
	Total	7,416,442,215	7,555,788,833	(139,346,618)	256,484,251	165,981,900	90,502,351	7,672,926,469	7,721,770,731	(48,844,262)

7.2. Reporting by tax category

We set out in the table below the aggregate amounts of the various types of taxes and fees reported by the Governmental Bodies and the extractive companies after taking into account the adjustments.

Amounts in ZMW

No	Tax	Templates originally lodged			Adjustments			Final amounts		
		Company	Govt	Difference	Company	Govt	Difference	Company	Govt	Difference
	Ministry of Mines and Mineral Development	20,330,646	23,208,212	(2,877,566)	4,653,103	7,344,544	(2,691,441)	24,983,749	30,552,755	(5,569,006)
1	Application Fees	4,680	3,870	810	-	-	-	4,680	3,870	810
2	Licence Fees	397,480	19,661	377,819	(175,327)	101,859	(277,187)	222,153	121,520	100,633
3	Area Charges	99,056	312,271	(213,215)	43,107	19,437	23,670	142,163	331,708	(189,545)
4	Valuation Fees	63,015	36,862	26,153	1,350	57,840	(56,490)	64,365	94,702	(30,337)
5	Annual Operating Permit	275,908	35,730	240,178	(255,478)	180	(255,658)	20,430	35,910	(15,480)
6	Environmental Protection Fund	18,383,155	22,712,342	(4,329,187)	6,093,745	7,163,135	(1,069,390)	24,476,899	29,875,476	(5,398,577)
7	Other fees & charges	1,107,352	87,476	1,019,876	(1,054,294)	2,093	(1,056,387)	53,059	89,569	(36,510)
	Zambia Revenue Authority - Domestic Taxes	6,175,887,326	6,339,278,579	(163,391,253)	224,136,759	100,480,587	123,656,172	6,400,024,085	6,439,759,166	(39,735,081)
8	Pay- As-You-Earn	940,385,607	889,455,263	50,930,344	3,943,588	65,506,326	(61,562,738)	944,329,195	954,961,589	(10,632,394)
10	Mineral Royalty	1,485,746,125	1,447,483,782	38,262,343	(16,243,683)	18,468,507	(34,712,190)	1,469,502,443	1,465,952,289	3,550,154
	Company Income Tax (Inc. Provisional Tax)	3,207,730,899	3,701,809,849	(494,078,950)	55,760,460	(410,470,665)	466,231,125	3,263,491,360	3,291,339,185	(27,847,825)
12	VAT (Net paid)	148,299,502	200,616,136	(52,316,634)	49,717,256	(1,713,566)	51,430,822	198,016,758	198,902,570	(885,812)
14	Withholding Taxes	93,027,318	90,243,803	2,783,515	2,118,552	7,502,875	(5,384,323)	95,145,870	97,746,679	(2,600,809)
15	Excise Duty	8,489,744	9,387,241	(897,497)	(138,395)	-	(138,395)	8,351,349	9,387,241	(1,035,892)
16	Property Transfer Tax	-	274,106	(274,106)	-	-	-	-	274,106	(274,106)
17	Wind Fall Tax	292,208,129	-	292,208,129	128,978,981	421,187,110	(292,208,129)	421,187,110	421,187,110	0
18	Variable profit Tax	-	-	-	-	-	-	-	-	-
20	Export Levy	-	8,397	(8,397)	-	-	-	-	8,397	(8,397)
	Zambia Revenue Authority - Customs	1,003,682,065	952,655,941	51,026,124	(812,174)	45,493,558	(46,305,733)	1,002,869,890	998,149,500	4,720,390
9	Import VAT	833,829,112	762,342,061	71,487,051	1,178,212	34,569,315	(33,391,104)	835,007,324	796,911,377	38,095,947
13	Import/Customs Duty	165,882,786	188,371,920	(22,489,134)	(2,131,572)	6,822,344	(8,953,915)	163,751,214	195,194,264	(31,443,050)
19	Advance Income Tax	107,116	1,730,132	(1,623,016)	-	-	-	107,116	1,730,132	(1,623,016)
21	Other taxes (ZRA)	3,863,051	211,828	3,651,223	141,186	4,101,899	(3,960,713)	4,004,237	4,313,727	(309,490)
	Local Councils	45,740,244	38,011,649	7,728,595	1,723,104	10,193,406	(8,470,302)	47,463,348	48,205,056	(741,707)
22	Annual Business Fees	174,497	2,179,195	(2,004,698)	11,753	300	11,453	186,250	2,179,496	(1,993,245)

No	Tax	Templates originally lodged			Adjustments			Final amounts		
		Company	Govt	Difference	Company	Govt	Difference	Company	Govt	Difference
23	Property Rates	45,565,747	35,832,454	9,733,293	1,711,351	10,193,106	(8,481,755)	47,277,098	46,025,560	1,251,538
	Ministry of Lands	8,963,936	4,754	8,959,182	-	2,469,805	(2,469,805)	8,963,936	2,474,559	6,489,377
24	Ground Rent	8,933,865	4,754	8,929,112	-	2,469,805	(2,469,805)	8,933,866	2,474,559	6,459,307
25	Consideration Fees	-	-	-	-	-	-	-	-	-
26	Registration Fees	30,070	-	30,070	-	-	-	30,070	-	30,070
27	Preparation fees	-	-	-	-	-	-	-	-	-
	Ministry of Finance	-	-	-	-	-	-	-	-	-
28	Dividends from Government Shares	-	-	-	-	-	-	-	-	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	-	-	-
	ZCCM-IH	161,838,000	202,629,695	(40,791,695)	26,783,460	-	26,783,460	188,621,460	202,629,695	(14,008,235)
30	Dividends from ZCCM-IH Shares	64,638,000	105,429,695	(40,791,695)	26,783,460	-	26,783,460	91,421,460	105,429,695	(14,008,235)
31	Price participation fees	97,200,000	97,200,000	-	-	-	-	97,200,000	97,200,000	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	-	-	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	-	-	-
	Total	7,416,442,215	7,555,788,833	(139,346,618)	256,484,251	165,981,900	90,502,351	7,672,926,469	7,721,770,731	(48,844,262)

Although the overall difference in the final balances appears to be significant in absolute terms, it nevertheless represents only 0.6 % of the total Government receipts reported. This difference of ZMW 48,844,262 is detailed in Section 6.4 of this report.

7.3. Reconciliation adjustments

7.3.1. Adjustments to companies templates

The adjustments made to the amounts reported by extractive companies can be summarised as follows:

Adjustments to extractive company payments	ZMW
Omission by extractive company (from Templates)	271,114,571
Payments reported but made outside the reporting period (1 January to 31 December 2011)	(59,945,880)
Difference in extractive company receipts	282,991
Tax not paid to the concerned Government Agency	(653,539)
Taxes not considered reportable	45,686,109
Total added to amounts originally reported	256,484,252

As the above table shows, most of the adjustments made to the amounts reported by extractive companies were a result of omissions i.e. taxes paid but not reported on the templates.

There were also significant adjustments made because extractive companies failed to make their declarations for the period for which they were meant to report. As a result, reported templates included taxes paid either before 1 January 2011 or after 31 December 2011.

In terms of taxes not deemed to be reportable, the main amounts excluded come from 2 extractive companies (First Quantum Mining and Lumwana Mining Company Ltd) which included some "reversed VAT" while they were requested to report only the non-refundable element of VAT.

The differences in extractive company's receipts were a result of discrepancies between amounts reported by extractive companies and Government Agencies for the same tax and the same receipt number. These discrepancies were communicated to extractive companies to provide us with the related receipts.

7.3.2. Adjustments to Government Agencies templates

The adjustments made to the amounts reported by Government Agencies can be summarised as follows:

Adjustments to Government receipts	ZMW
Omission from template by Governmental Body	168,386,050
Receipts reported but outside the reporting period (1 January to 31 December 2011)	(450,000)
Taxes not considered reportable	(1,954,149)
Total added to amounts originally reported	165,981,901

Most adjustments relate to amounts not reported by the Zambia Revenue Authority. In these cases, all adjustments were communicated to ZRA in order to confirm the adjustments. The omissions largely due to the fact that the Government Agencies accounting and reporting systems have weaknesses and the reporting exercise does not seem to have been taken diligently in a small number of cases, resulting in the templates having been prepared hastily.

The table below provides an analysis of these adjustments and the Government Agencies and taxes that the adjustments relate to:

Amounts in ZMW

Governmental Body		Taxes	Misclassification	Tax paid by taxpayer under a different name	Tax not reported by the Government	Tax received but outside the reconciliation period	Taxes not considered reportable	Total
Ministry of Mines and Mineral Development		Application Fees	-	-	-	-	-	-
		Licence Fees	-	-	101,859	-	-	101,859
		Area Charges	-	-	19,437	-	-	19,437
		Valuation Fees	-	-	57,840	-	-	57,840
		Annual Operating Permit	-	-	180	-	-	180
		Environmental Protection Fund	-	-	7,474,777	(311,643)	-	7,163,134
		Other fees & charges	-	-	2,093	-	-	2,093
ZRA	Domestic Taxes	Pay- As-You-Earn	(4,669,572)	10,994	70,285,373	(120,469)	-	65,506,326
		Mineral Royalty	(3,112,733)	611,837	20,969,403	-	-	18,468,507
		Company Income Tax (Inc. Provisionnal Tax)	(409,858,827)	(611,837)	-	-	-	(410,470,664)
		VAT (Net paid)	(755,259)	(10,994)	217,036	(1,164,349)	-	(1,713,566)
		Withholding Taxes	(790,719)	-	8,651,283	(357,688)	-	7,502,876
		Excise Duty	-	-	-	-	-	-
		Property Transfer Tax	-	-	-	-	-	-
		Wind Fall Tax	419,187,110	-	2,000,000	-	-	421,187,110
		Variable profit Tax	-	-	-	-	-	-
	Export Levy	-	-	-	-	-	-	
	Customs	Import VAT	-	-	34,569,315	-	-	34,569,315
		Import/Customs Duty	-	-	6,822,344	-	-	6,822,344
		Advance Income Tax	-	-	-	-	-	-
Other taxes (ZRA)		-	-	4,101,899	-	-	4,101,899	
Local Councils	Annual Business Fees	-	-	300	-	-	300	
	Property Rates	-	-	10,643,106	-	(450,000)	10,193,106	
Ministry of Lands	Ground Rent	-	-	2,469,805	-	-	2,469,805	
	Consideration Fees	-	-	-	-	-	-	
	Registration Fees	-	-	-	-	-	-	
Ministry of Finance	Preparation fees	-	-	-	-	-	-	
	Dividends from Government Shares	-	-	-	-	-	-	
ZCCM-IH	Revenues from GRZ shareholding sale	-	-	-	-	-	-	
	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	
	Price participation fees	-	-	-	-	-	-	
	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	
	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	
Total			-	-	168,386,050	(1,954,149)	(450,000)	165,981,901

7.4. Unreconciled discrepancies

With regard to extractive companies that tax templates were submitted for, unreconciled discrepancies amounted to ZMW (48,844) k, which are explained in the table below:

Company	Difference after adjustment	Reasons for differences							Amounts in ZMW	
		Not Material < ZMK 10 m	Missing extractive company detail per receipt number	Tax not reported by the extractive company	Tax not reported by the GA	Missing GA detail per receipt number	Tax reported by the GA but not confirmed by the taxpayer	Tempate not submitted by the taxpayer	Difference between amounts reported by the taxpayer and the GA under the same receipt number	
KONKOLA COPPER MINES PLC	(134,601,306)	(19,361)	638,714	(136,257,429)	1,088,091	-	(51,321)	-	-	
KANSANSHI MINING PLC	102,622	383	-	-	155,876	-	(53,637)	-	-	
MOPANI COPPER MINES PLC	450,167	(28,559)	698,448	(219,722)	-	-	-	-	-	
FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	150,672,212	(21,613)	152,439,172	(1,745,347)	-	-	-	-	-	
LUMWANA MINING COMPANY LIMITED	281,184	(8,101)	293,370	-	(4,085)	-	-	-	-	
NFC AFRICA MINING PLC	(4,733,067)	(6,482)	-	(5,887,003)	1,160,418	-	-	-	-	
CHIBULUMA MINES PLC.	(44,183,117)	(20,335)	-	(41,264,676)	13,451	-	(2,911,557)	-	-	
CHAMBISHI COPPER SMELTER LIMITED	(2,455,007)	(8,118)	(2,154,133)	(292,756)	-	-	-	-	-	
NDOLA LIME COMPANY LIMITED	(1,715,232)	8,855	(1,746,961)	22,874	-	-	-	-	-	
CHAMBISHI METALS PLC	(99,047)	(4,011)	-	(95,036)	-	-	-	-	-	
CNMC LUANSHYA COPPER MINES PLC	5,544,971	(4,299)	-	(37,893)	5,587,163	-	-	-	-	
SCIROCCO ENTERPRISES LIMITED	(4,734,694)	(5,721)	-	(3,129,909)	13,680	(1,612,744)	-	-	-	
KAGEM MINING LIMITED	(5,023)	(5,023)	-	-	-	-	-	-	-	
SINO-METALS LEACH ZAMBIA LTD	(1,407,399)	(4,683)	75,872	(1,478,588)	-	-	-	-	-	
ALBIDON ZAMBIA LIMITED	(1,889,867)	(6,614)	-	(11,048,966)	9,165,713	-	-	-	-	
GRIZZLY MINING LIMITED	(397,566)	6,721	208,484	(624,366)	-	-	11,595	-	-	
Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	63,530	(1,409)	64,939	-	-	-	-	-	-	

Company	Difference after adjustment	Reasons for differences						Difference between amounts reported by the taxpayer and the GA under the same receipt number	
		Not Material < ZMK 10 m	Missing extractive company detail per receipt number	Tax not reported by the extractive company	Tax not reported by the GA	Missing GA detail per receipt number	Tax reported by the GA but not confirmed by the taxpayer		Tempate not submitted by the taxpayer
UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	167,619	(11,211)	(85,142)	(493,185)	757,157	-	-	-	-
Sable Zinc Kabwe Limited	(3,017,142)	4,425	-	(3,021,567)	-	-	-	-	-
SAN HE (ZAMBIA) LIMITED	(354,272)	7,129	(58,368)	(303,033)	-	-	-	-	-
BHP BILLITON WORLD EXPLORATION INC	(9,816,256)	-	-	-	-	-	-	(9,816,256)	-
Kalumbila Minerals Limited	(8,243,550)	(3,269)	(6,379,876)	(1,860,405)	-	-	-	-	-
Lubambe Copper Mine Limited	8,264,144	2,731	-	(4,752)	7,670,030	-	-	-	596,135
MAAMBA COLLIERIES LIMITED	489,315	(2,287)	503,673	-	-	(12,071)	-	-	-
LAFARGE CEMENT ZAMBIA PLC	(111,947)	12,295	-	-	85,319	(225,520)	-	-	15,959
ZCCM-IH	2,884,466	(1,674)	2,593,420	(134,062)	426,782	-	-	-	-
Total	(48,844,262)	(120,231)	147,091,612	(207,875,821)	26,119,595	(1,850,335)	(3,004,920)	(9,816,256)	612,094

As shown above, taxes not reported by the extractive companies, raised through the comparison of detailed payment schedules provided by the Extractive Companies and Government Agencies on an individual transaction level (Receipt N°), are the primary cause of the discrepancies. The comparison identified a number of payment receipts which appear in Government Agencies' reporting template and not reported by the Extractive Company.

In the other cases, most of the discrepancies were a result of extractive companies failing to submit details of amounts reported by receipt reference to enable reconciliation.

8. REPORTED DATA

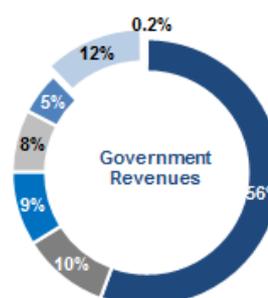
8.1. Analysis of Government revenues

8.1.1. Analyses of payments by companies' contribution

The analysis of Government revenues by companies' contribution indicates that 5 companies contributed approximately 88% of the total Government revenues in 2011 and Kansanishi Mining Plc accounts for almost 56% of the country's extractive revenues for the same period.

TOP 5 Extractive Companies

- KANSANSHI MINING PLC
- KONKOLA COPPER MINES PLC
- LUMWANA MINING COMPANY LIMITED
- MOPANI COPPER MINES PLC
- FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S
- Other companies included in the scope of reconciliation
- Other companies out of the scope of reconciliation



The list of payments by company's contribution is shown in the table below:

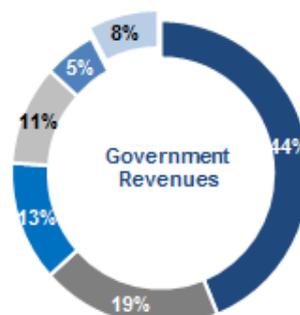
Company	Amounts in ZMW	
	Government revenues	% of total payment
KANSANSHI MINING PLC	4,188,873,535	55.6%
KONKOLA COPPER MINES PLC	792,443,058	10.5%
LUMWANA MINING COMPANY LIMITED	678,065,800	9.0%
MOPANI COPPER MINES PLC	566,552,505	7.5%
FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	388,962,588	5.2%
CHIBULUMA MINES PLC.	230,355,666	3.1%
LAFARGE CEMENT ZAMBIA PLC	121,230,513	1.6%
NFC AFRICA MINING PLC	106,711,034	1.4%
CNMC LUANSHYA COPPER MINES PLC	104,386,333	1.4%
CHAMBISHI METALS PLC	55,664,652	0.7%
Lubambe Copper Mine Limited	48,723,990	0.6%
NDOLA LIME COMPANY LIMITED	44,289,823	0.6%
CHAMBISHI COPPER SMELTER LIMITED	36,687,558	0.5%
ALBIDON ZAMBIA LIMITED	28,562,870	0.4%
MAAMBA COLLIERIES LIMITED	26,892,306	0.4%
KAGEM MINING LIMITED	20,333,162	0.3%
SINO-METALS LEACH ZAMBIA LTD	12,090,820	0.2%
Sable Zinc Kabwe Limited	10,375,702	0.1%
Kalumbila Minerals Limited	10,160,606	0.1%
BHP BILLITON WORLD EXPLORATION INC	9,816,256	0.1%
SCIROCCO ENTERPRISES LIMITED	9,539,299	0.1%
UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	7,894,338	0.1%
Zambian Nonferrous Metals Exploration & Con Co Ltd	7,442,384	0.1%
ZCCM-IH	5,554,799	0.1%
GRIZZLY MINING LIMITED	4,234,021	0.1%
SAN HE (ZAMBIA) LIMITED	3,297,419	0.0%
Other extractive companies out of the scope of reconciliation	14,775,927	0.2%
Total extractive sector	7,533,916,964	100.0%

8.1.2. Analyses of payments by flows contribution

The analysis of the payments by flow contribution show that the TOP 5 Taxes contributed towards 92% of the total Government extractive revenues are collected by ZRA. We also note that Company Income tax accounts for a significant portion of total government revenue (44%).

TOP 5 Taxes

- Company Income Tax (Inc. Provisionnal Tax)
- Mineral Royalty
- Pay- As-You-Earn
- Import VAT
- Wind Fall Tax
- Other Taxes



The list of payments by flows contribution is shown in the table below:

Amounts in ZMW

Tax	Government revenues	% of total payment
Company Income Tax (Inc. Provisionnal Tax)	3,291,792,087	43.7%
Mineral Royalty	1,468,105,748	19.5%
Pay- As-You-Earn	961,039,948	12.8%
Import VAT	798,174,501	10.6%
Wind Fall Tax	421,187,110	5.6%
VAT (Net paid)	202,837,738	2.7%
Import/Customs Duty	195,390,351	2.6%
Withholding Taxes	98,286,290	1.3%
Property Rates	46,025,560	0.6%
Environmental Protection Fund	29,875,476	0.4%
Excise Duty	9,408,203	0.1%
Other taxes (ZRA)	4,319,055	0.1%
Ground Rent	2,474,559	0.0%
Annual Business Fees	2,179,495	0.0%
Advance Income Tax	1,775,954	0.0%
Area Charges	331,708	0.0%
Property Transfer Tax	298,201	0.0%
Licence Fees	121,520	0.0%
Valuation Fees	94,702	0.0%
Other fees & charges	89,569	0.0%
Export Levy	69,409	0.0%
Annual Operating Permit	35,910	0.0%
Application Fees	3,870	0.0%
Variable profit Tax	-	0.0%
Consideration Fees	-	0.0%
Registration Fees	-	0.0%
Preparation fees	-	0.0%
Dividends from Government Shares	-	0.0%
Revenues from GRZ shareholding sale	-	0.0%
Total extractive sector	7,533,916,964	100.0%

8.1.3. Analyses of revenues by Government Agencies

In 2011, ZRA collected the largest value of receipts included in the reconciliation followed by the Local Councils as shown in the table below:

Government Agencies	Amounts in ZMW	
	Government revenues	% of total payment
Zambia Revenue Authority	7,452,684,594	98.9%
Local Council	48,205,056	0.6%
Ministry of Mines and Mineral Development	30,552,755	0.4%
Ministry of Lands	2,474,559	0.0%
Ministry of Finance	-	0.0%
Total extractive sector	7,533,916,964	100.0%

8.1.4. Unilateral disclosure of revenues by Government Agencies

Government Agencies were requested to disclose unilaterally the revenue streams collected from companies not included in the scope of reconciliation in accordance with the option set up by the EITI Requirement 11-b. Only ZRA complied with this requirement. The contribution of the extractive companies, not included in the scope of reconciliation, in the Government revenues by flow contribution (the list of payments by Company is detailed in Annex 4) is shown in the table below:

Tax	Amounts in ZMW	
	Amount reported unilaterally by the ZRA	
VAT (Net paid)		3,935,168
Pay- As-You-Earn		6,078,360
Import VAT		1,263,124
Import/Customs Duty		196,087
Company Income Tax (Inc. Provisional Tax)		452,903
Withholding Taxes		539,610
Mineral Royalty		2,153,459
Advance Income Tax		45,821
Excise Duty		20,962
Other taxes (ZRA)		5,328
Export Levy		61,012
Property Transfer Tax		24,095
Wind Fall Tax		-
Variable profit Tax		-
Total		14,775,929

8.2. Social payments

The companies were requested to report social payments and transfers made during 2011. We set out in the table below the amounts reported by the extractive companies:

No.	Company	Amounts in k ZMW		
		Cash Payments	In Kind Payments	Total
1	KANSANSHI MINING PLC	-	56,204,879	56,204,879
2	CNMC LUANSHYA COPPER MINES PLC	17,014,444	395,000	17,409,444
3	LUMWANA MINING COMPANY LIMITED	225,000	13,015,877	13,240,877
4	KONKOLA COPPER MINES PLC	10,580,076	-	10,580,076
5	MOPANI COPPER MINES PLC	2,710,848	3,456,331	6,167,179

No.	Company	Cash Payments	In Kind Payments	Total
6	NFC AFRICA MINING PLC	1,279,574	-	1,279,574
7	LAFARGE CEMENT ZAMBIA PLC	659,424	498,333	1,157,757
8	CHAMBISHI METALS PLC	402,652	-	402,652
9	NDOLA LIME COMPANY LIMITED	151,051	132,555	283,606
10	CHIBULUMA MINES PLC.	194,131	-	194,131
11	KAGEM MINING LIMITED	75,286	-	75,286
12	Sable Zinc Kabwe Limited	12,170	-	12,170
13	CHAMBISHI COPPER SMELTER LIMITED	2,000	-	2,000
14	GRIZZLY MINING LIMITED	-	-	-
15	FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	-	-	-
16	SCIROCCO ENTERPRISES LIMITED	-	-	-
17	SINO-METALS LEACH ZAMBIA LTD	-	-	-
18	ALBIDON ZAMBIA LIMITED	-	-	-
19	Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	-	-	-
20	UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	-	-	-
21	SAN HE (ZAMBIA) LIMITED	-	-	-
22	BHP BILLITON WORLD EXPLORATION INC	-	-	-
23	Kalumbila Minerals Limited	-	-	-
24	Lubambe Copper Mine Limited	-	-	-
25	MAAMBA COLLIERIES LIMITED	-	-	-
26	ZCCM-IH	-	-	-
Total		33,306,656	73,702,975	107,009,631

8.3. ZCCM-IH revenues

In 2011, ZCCM-IH received ZMW 814,082 k following the sale of its shareholding in Equinox Minerals which represents 79.3% of ZCCM-IH revenues. The detailed total revenues are presented in the table below:

Revenues Categories	Amounts in ZMW	
	ZCM-IH revenues	% of total revenues
Sale of ZCCM-IH' shares in Equinox Minerals	814,082,187	79.30%
Dividends	115,583,985	11.30%
Price participation fees	97,200,000	9.50%
Total ZCCM-IH revenues	1,026,866,172	100.00%

The breakdown of the ZCCM-IH revenues by company may be summarised as follows:

Company	Amounts in ZMW	
	ZCM-IH revenues	% of total payment
EQUINOX	814,082,187	79.30%
KONKOLA COPPER MINES PLC	109,350,000	10.60%
KANSANSHI MINING PLC	52,488,292	5.10%
CHIBULUMA MINES PLC.	40,791,695	4.00%
CEC	10,153,998	1.00%
Total	1,026,866,172	100.00%

8.4. Production declared by extractive companies

Company	Copper (Tonnes)	Gold (oz)	Cobalt (Tonnes)	EMERALDS (Carats)	BERYL (Carats)	Nickel (Tonnes)	Manganese (Tonnes)	Lime stone (Tonnes)
KONKOLA COPPER MINES PLC	244,479	-	-	-	-	-	-	-
KANSANSHI MINING PLC	230,295	112,288	-	-	-	-	-	-
MOPANI COPPER MINES PLC	101,362	-	559	-	-	-	-	-
FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	n	n	n	n	n	n	n	n
LUMWANA MINING COMPANY LIMITED	117,022	-	-	-	-	-	-	-
NFC AFRICA MINING PLC	23,247	-	-	-	-	-	-	-
CHIBULUMA MINES PLC.	17,533	-	-	-	-	-	-	-
CHAMBISHI COPPER SMELTER LIMITED	-	-	-	-	-	-	-	-
NDOLA LIME COMPANY LIMITED	-	-	-	-	-	-	-	668,866
CHAMBISHI METALS PLC	3,056	-	4,860	-	-	-	-	-
CNMC LUANSHYA COPPER MINES PLC	16,018	-	-	-	-	-	-	-
SCIROCCO ENTERPRISES LIMITED	-	-	-	-	-	-	-	83,268
KAGEM MINING LIMITED	-	-	-	4,897,850	17,923,040	-	-	-
SINO-METALS LEACH ZAMBIA LTD	7,200	-	-	-	-	-	-	-
ALBIDON ZAMBIA LIMITED	-	-	-	-	-	39,448	-	-
GRIZZLY MINING LIMITED	-	-	-	26,383,550	143,116,500	-	-	-
Zambian Nonferrous Metals Exploration & Con Co Ltd	-	-	-	-	-	-	-	-
UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	-	-	-	-	-	-	-	-
Sable Zinc Kabwe Limited	4,605	-	197	-	-	-	-	-
SAN HE (ZAMBIA) LIMITED	-	-	-	-	-	-	13,160	-
BHP BILLITON WORLD EXPLORATION INC	n	n	n	n	n	n	n	n
Kalumbila Minerals Limited	-	-	-	-	-	-	-	-
Lubambe Copper Mine Limited	-	-	-	-	-	-	-	-
MAAMBA COLLIERIES LIMITED	-	-	-	-	-	-	-	-
LAFARGE CEMENT ZAMBIA PLC	-	-	-	-	-	-	-	1,389,633
ZCCM-IH	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Total	764,817	112,288	5,616	31,281,400	161,039,540	39,448	13,160	2,141,767

n: Not Reported / n.a: Not Applicable

9. RECOMMENDATIONS

9.1. Lessons learned from the 2011 reconciliation

9.1.1. Regulation of sub-national transfers

In accordance with Section 136 of the Mines and Minerals Development Act 2008, the Minister of Finance shall, in consultation with the Minister responsible for Mines, establish a mineral royalty sharing mechanism for distributing royalty revenues.

We note, however, that there is no provision within the legislation as to what this mechanism should be, thus leaving a legal vacuum on the modalities of the handing over and the percentage shareholding that should be transferred by the central government. As a result, sub national transfers are not yet formalised, nor effective.

We recommend setting up the adequate provisions providing guidance for sharing and management of these resources. There should be measures in place to ensure transparency in the system of transfer to local councils and their reconciliation in the EITI process.

9.1.2. ZEITI database

We note that to date the ZEITI Secretariat still does not have a comprehensive database of all extractive companies operating in the mining sector, despite this recommendation having been made in the previous. We understand that this is due to the lack of formal communication with Governmental Bodies with regard to the extractive companies operating in the mining sector. In some cases making contact with extractive companies can be difficult as no contact details are available.

We recommend that, in the first instance, the ZEITI Secretariat should create its database following our reconciliation exercise. The Secretariat should then liaise with the Governmental Agencies to ensure it obtains adequate information regularly and updates its database accordingly. To this end, we believe it is vital that any new entrants to the mining sector are registered with the ZEITI Secretariat as part of the process before or at the same time as they obtain their operating licence. The ZEITI Secretariat should perform quarterly review with the Governmental Agencies of the list of extractive companies licensed to operate in the sector is recommended.

9.1.3. Supporting data

The instructions sent out with the reporting templates to extractive companies indicated that when compiling their templates, extractive companies should provide us with schedules showing a breakdown of all amounts included.

Although many extractive companies provided us with these schedules, we note that the new entrants were not diligent in complying with this requirement. We chased up most of the non-compliant extractive companies again during subsequent reminders.

We recommend a review of the procedures for communicating in particular with those who use a clearing agent for their tax payments. The clearing agents must provide regular details of payments made on behalf of the relevant mining company (excluding their fees). A regular compulsory briefing or training seminar for new comers might be an option.

9.1.4. Lack of audit certificates

Although it was clearly stated during the workshop that extractive companies should submit their tax templates accompanied by an audit certificate, only two of those extractive companies which submitted a template also provided the audit certificate.

Similarly, the Government Agencies' tax templates should have been certified by the Auditor General but we note that this was not done for the main Government Agencies.

We recommend for the forthcoming exercises that the extractive companies comply with this requirement, failing which ZEITI should apply sanctions against them. With regard to the Governmental Bodies, it is recommended that reliable and auditable data is presented to the Office of Auditor General before the Reconcilers start the 5th verification exercise.

9.2. Follow up of the recommendations of the 2010 EITI Report

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Unresolved differences</p> <p>At the conclusion of the Assignment, we have been unable to obtain explanations for a number of differences between government receipts and company payments. The overall value of the remaining unresolved differences was ZMW 8,811 million, as set out in section 2.1. As a proportion of the receipts reported by government (ZMW 3,785,318 million), the unresolved differences amount to 0.23%. The ZEC has determined that this difference is not material in the context of the 2010 ZEITI reconciliation.</p> <p>We recommend that the ZEC should appoint a suitable independent party to examine these differences further, with a view to their resolution, and that the result of this exercise should be published. In order to maintain impetus and relevance, this exercise should ideally be completed.</p>	Ongoing	The Auditor General's Office (OAG) has been making follow up on the reconciling items in the 2009 and 2010 reports. The resolution of the 2009 and 2010 reconciling items was still ongoing by the OAG during the process of undertaking the 2011 reconciliation by the reconcilers.
<p>Non Reporting companies</p> <p>Two companies included in the scope of the reconciliation did not participate. The ZEC and, in accordance with EITI requirement 11, the government should consider whether any further action is required.</p>	Ongoing	<p>The ZEITI Secretariat has been in touch with the legal counsel of BHP Billiton and is yet to get an official response from them. No follow up has been undertaken by the MMWED.</p> <p>Zambezi Portland's directors are no longer in the country as they faced some legal issues and it has not been possible to take any further action on the company in their absence.</p>

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Future EITI Scope</p> <p>EITI requirement 21 encourages multi-stakeholder groups in compliant countries “to explore innovative approaches to extending EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and encourage high standards of transparency and accountability in public life, government operations and in business.”</p> <p>We make the following recommendations which ZEC could consider in this context, for example:</p> <ul style="list-style-type: none"> • improving the definition and reporting of production in the mining and general extractive sector; • reconciliation of the ZRA taxpayer database with the MMEWD cadastre definition and reporting of social payments by extractive companies; • inclusion of other extractive sectors in the EITI reconciliation. <p>In setting its annual work plan, ZEC should consider the progressive extension of the EITI scope.</p>	Ongoing	<p>The 2011 reporting template requires the mining reporting companies to report both types of minerals and quantities extracted. The reconciliation of the ZRA tax payer database and MMEWD cadastre is being prepared and this is an ongoing process. All extractive companies participating in the 2011 reconciliation were required to report both their cash and in-kind social payments in their reporting templates. The incorporation of other extractive sectors in the EITI reconciliation is in ZEC’s future work plans and these other sectors will be incorporated in future EITI reconciliations.</p>

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Company Audit</p> <p>We recommend that the audit opinion used on the data templates for the 2011 reconciliation is specific to the EITI requirements. We suggest as a suitable opinion:</p> <p>Dear Sirs, In connection with the Zambia Extractive Industries Transparency Initiative reconciliation for the calendar years [YEAR], we confirm that:</p> <ol style="list-style-type: none"> 1- We audited the financial statements of [name of reporting entity] for the period(s) [state dates] under International Auditing Standards [or state which standards were applied]. Our reports were unqualified [or state exceptions] and the financial statements were in agreement with the books of account. 2- We have examined the [reporting template] and confirm that the transactions reported therein are in accordance with instructions issued by ZEITI, are complete, are properly described and are in agreement with the books of account for the respective period. <p>Name Position within the Audit firm Name of the Audit Firm (if applicable)</p> <p>Address of the Audit Firm (or Auditor)</p> <p>Signature</p> <p>Date</p> <p>We also recommend that all major companies should be required to ensure that their auditors submit an opinion on the template data following an "Agreed upon Procedures" engagement, in fulfilment of the government's obligations under EITI Requirement 12.</p> <p>Dialogue with the companies should be commenced by the ZEC in advance of commencement of the next reconciliation, so that the companies and their auditors can undertake the necessary planning. There are companies which have been included in all the reconciliations to date, and whose payments have by this measure been material; the ZEC might consider these to be the major companies, thereby avoiding the need to wait for commencement of the next reconciliation.</p>	Yes	<p>ZEC has engaged the companies involved in the EITI reconciliation via the trainings that are undertaken prior to the commencement of the reconciliation process where the requirements of the process are explained in detail.</p> <p>The 2011 reporting template has a different wording for the auditor's recommendation though this still covers the reconciler's recommendations.</p>

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Government Audit</p> <p>Central government</p> <p>We met the Auditor General to discuss the opinion to be given on government figures submitted on the EITI data collection templates. The OAG confirmed it would be possible to give the necessary form of assurance provided there was adequate time allowed and the work could be included in the work plan for the department's staff. We were told this would be possible for the reconciliation to be carried out in 2013, if a request were sent in good time from the ZEC.</p> <p>We recommend that the ZEC should arrange for a request to be made to the OAG in sufficient time for the OAG to plan to give the opinion on the templates for the 2011 EITI reconciliation; the request should on this basis be made during the first quarter of 2013</p> <p>Local government</p> <p>The arrangements for audit of local government differ.</p> <p>We recommend that through the Ministry of Local Government and Housing, which is responsible for the audit of figures from local councils, the local and district councils should be encouraged to engage external auditors to audit their books. The Local Government and Housing should then be required to confirm that the information on the data templates by each local council has been audited, and to state the standards applied in carrying out the audit. In this way, the audit work done by the Office of the Auditor General, to the extent that they have carried audits on grants to local councils, would be augmented and supplemented by external audits.</p>	Ongoing	The Ministry of Local Government and Housing is the institution which is mandated to undertake audits of local councils via the Local Government Act 1991. Additionally, most district and local councils have limited financial capacities to appoint independent auditors and this would also require some amendments to the Local government Act.

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Mining Cadastre</p> <p>The licensing information provided during the scoping phase by the Mining Cadastre generated some queries which, while finally resolved, suggest that the licensing database, and the process of extracting information from the database, require further examination. In seeking to assess whether companies listed by ZRA held mining licences, we were unable to locate information for certain of the companies on the reports provided by the Cadastre. Following a meeting, the particular issues were resolved, but we noted inaccuracies in the preparation of information relating to gemstone companies, due to:</p> <ul style="list-style-type: none"> • the manual effort required to produce the list of these licences; • out of date entries on the licence database; • confusing changes in the system of numbering licences; with reliance upon supplementary; • manual records for interpretation; • In addition during the reconciliation phase, we found that for some of the companies, the accuracy of the data regarding their locations was a big problem. <p>We recommend that the Mining Cadastre should ensure that all records are computerised and maintained up to date; and should ensure that reports of all licensed operators, with appropriate details, can be readily produced for the EITI and other purposes.</p>	Ongoing	<p>The Mining Cadastre has a computerised system and the updating of records to make the information real time is being undertaken and is a continuous process. A manual filing system is also kept where information that is computerised such as application forms and other data is kept.</p>

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Reporting Templates</p> <p>Due to the time available for the 2010 reconciliation, the ZEC decided to use the templates used in 2009 for the 2010 reconciliation. We reviewed these templates and confirmed their adequacy for this reconciliation, but recommend that the templates are reviewed before issue for the 2011 reconciliation, so that they include:</p> <ul style="list-style-type: none"> • revisions to the company and audit declarations; • any revisions of scope; • improvement of definition of “Other Taxes” (see table 5.1.1 above); • inclusion of an example of the information required for the supporting analysis to be attached to the template; • inclusion of a format on which social responsibility payments are to be declared; • improvement of the declaration of production; • summary instructions for completion and definition of flows. 	Yes	The recommendations have been incorporated in the 2011 reporting template.
<p>Company Accounting</p> <p>During the reconciliation work, we observed that the records kept by some companies, and communication of information within the companies, caused difficulties in producing the information necessary to reconcile payments made to ZRA with the records held by the Agency.</p> <p>We recommend that companies should review their internal processes and procedures between accounting and treasury staff and ensure that bulk and material payments to ZRA are receipted, allocated by tax type and accounted for, including those payments that are made through clearing and forwarding agents. This will significantly help to reduce differences and un-reconciled amounts.</p>	Ongoing	ZEC is continuously engaging the companies to improve their reporting in terms of the EITI requirement in forums such as the training that is provided for stakeholders of the EITI process. ZEC also intends to get the Customs and Clearing Agents involved in the stakeholder’s meetings for the reconciliation process.

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Government Reporting System</p> <p>During the reconciliation work, we observed that government systems are not always set up in such a way that it is easy for government to capture information required for EITI and to report on a timely basis.</p> <p>We recommend that the Government Agencies involved, in particular the participating departments in ZRA and MMEWD, should review their systems for recording and reporting information on receipts from extractive companies, so that information can be reported reliably, completely and in a straightforward manner.</p>	Ongoing	ZEC always endeavours to include government stakeholders in order to ensure that the information these agencies provide for EITI reconciliation purposes is easily retrievable, reliable and complete.
<p>ZRA Unallocated Receipts</p> <p>We observed that ZRA often records payments made to ZRA by extractive companies as “Unallocated Receipts”, and that there appears to be inadequate follow up within ZRA of such unallocated amounts, so that they are not identified to the correct company and the correct tax type(s). We were reviewing ZRA records relating to 2010 during our work in late 2012 and early 2013, at which time these receipts were still “unallocated”.</p> <p>It is not unusual that there is difficulty in allocating receipts immediately but there needs to be a robust system in place to follow up all unallocated amounts so that they are allocated on a prompt and timely basis. This would not only eliminate many of the material differences which we saw during the 2010 reconciliation, but is good practice and would assist the ZRA in ensuring that taxes due are collected on a timely basis.</p> <p>We recommend that ZRA examines its procedures and staff training in this area.</p>	Ongoing	ZEC is in constant contact with the Agencies to improve their systems and procedures in order to make the information easily retrievable, reliable and complete.

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Social payments</p> <p>EITI Requirement 9 encourages multi stakeholders groups to apply a high standard of transparency to social payments and transfers, beginning with a clear understanding of the type of the payments and transfers, the parties involved in the transactions, and the materiality of these payments and transfers relative to other benefit streams, and has further detailed comment on this area, including recognition that these payments may be reported even though it is not possible to reconcile them (requirement 9 paragraph g).</p> <p>Companies were requested to report social payments as part of the 2010 reconciliation but most companies either did not make social payments or did not report making any during the reconciliation period.</p> <p>We recommend that the ZEC should gather information on social payments which companies are making, both outside the reconciliation process through dialogue with companies and other stakeholders (to gain a good understanding) and through the reconciliation process; and the ZEC should then examine whether these payments are material.</p>	Yes	The new 2011 reporting template includes social payments (cash and in kind) as payment streams to be reported. In addition, the importance of these payment streams was highlighted during the training which was held for stakeholders.
<p>Training</p> <p>Training was not carried out prior to the 2010 reconciliation, which led to misunderstandings and differences which might have been avoided.</p> <p>We recommend that in addition to any training activities which the ZEC may put in place during the next year, there should be specific training for staff from entities involved in the 2011 reconciliation, and for other interested stakeholders.</p>	Yes	Training was organised and conducted in Chingola in October 2013 that involved the stakeholders in the EITI reconciliation process.

Recommendation	Implemented (Yes/no/ongoing)	Description of action undertaken
<p>Customs and Clearing Agents</p> <p>Many of the extractive companies use Customs and Clearing Agents to handle the paperwork associated with importing and exporting goods and materials across the Zambian border. We engaged successfully with companies over the supporting information which they needed to obtain from their Agents for the 2010 reconciliation, and express the view that this process will work well for future reconciliations, without the need to include the Agents directly in the reconciliation.</p> <p>There were, however, difficulties experienced because in a number of instances agents make “bulk payments” to ZRA, and insufficient detail and analysis was provided initially. We recommend that the training for entities in the 2011 reconciliation includes coverage of this area for participating companies. There should be consultation with companies over the benefit of inviting the most regularly used Agents to the EITI training, both as specific reconciliation training and also as part of general raising of awareness of EITI.</p>	Ongoing	<p>The Clearing Agents were not directly engaged or involved in the training that was undertaken for the 2011 reconciliation process. However, the ZEITI Secretariat is of the opinion that for future reconciliations, the large Clearing Agents should be engaged at an early stage in the reconciliation process by the companies that utilise their services and they should also be invited and participate in the training that is offered to other stakeholders in the reconciliation process. This will avoid misunderstandings in terms of the information requirements of the companies and would save a lot of time once the reconciliation process commences.</p>
<p>Environmental Protection Fund</p> <p>There were concerns raised by the extractive industry participating companies as to the accuracy of the reporting and accountability of the funds that the mining industry is paying into the Environment Protection Fund.</p> <p>We recommend that the 2011 ZEITI reconciliation should include a review of the audited accounts of the Fund and discussion with representatives from the Fund Board over the activities of the Fund, so that there is greater transparency within EITI in this area.</p>	Ongoing	<p>ZEITI Secretariat is engaging discussions with the Fund for a better involvement in the EITI process.</p>

ANNEXES

Annex 1: Reporting template and Supporting Schedule

EITI TAX PAYMENT/RECEIPT REPORT

(From January 2011 to December 2011)



Name of the Entity (Mining company / Government Agency)			
TPIN			
Licence No.	1.		Type of licence
	2.		Type of licence
	3.		Type of licence
	4.		Type of licence
Reporting template prepared by		Position	
Email address		Tél.	

Ref.	Type of Tax	Paid/Received Amount		Comments
		ZMK	USD	
Ministry of Mines, Energy and Water Development				
		-	-	
1	Application Fees			
2	Licence Fees			
3	Area Charges			
4	Valuation Fees			
5	Annual Operating Permit			
6	Environmental Protection Fund			
7	Other fees & charges			
Zambia Revenue Authority				
		-	-	
8	Pay- As-You-Earn			
9	Import VAT			
10	Mineral Royalty			
11	Company Income Tax (Inc. Provisional Tax)			
12	VAT (Net paid)			
13	Import/Customs Duty			
14	Withholding Taxes			
15	Excise Duty			
16	Property Transfer Tax			
17	Wind Fall Tax			
18	Variable profit Tax			
19	Advance Income Tax			
20	Export Levy			
21	Other taxes (ZRA)			
Local Councils				
		-	-	
22	Annual Business Fees			
23	Property Rates			
Ministry of Lands				
		-	-	
24	Ground Rent			
25	Consideration Fees			
26	Registration Fees			
27	Preparation fees			
Ministry of Finance and National Planning				
		-	-	
28	Dividends from Government Shares			
29	Revenues from GRZ shareholding sale			
ZCCM- IH				
		-	-	
30	Dividends from ZCCM-IH Shares			
31	Price participation fees			
31	Revenues from ZCCM-IH shareholding sale			
32	Revenues from ZCCM-IH mining rights transfer			
Social Payments				
		-	-	
33	Corporate Social Responsibility In kind payments			
34	Corporate Social Responsibility cash payments			
Total payments		-	-	
35. Type of mineral extracted	1.		2011 Production	Unit:
	2.		2011 Production	Unit:
	3.		2011 Production	Unit:
	4.		2011 Production	Unit:

Management sign-off

I acknowledge for and on behalf of the above Entity's responsibility for the truthful and fair presentation of the attached reporting template in accordance with the reporting guidelines. Specifically, I confirm the following:

1. The information provided in respect of amounts paid/received is complete and has been faithfully extracted from the Entity accounting records;
2. All the amounts paid/received are supported by genuine receipts and substantiated by documentary evidence;
3. The amounts paid/received exclude payments/income made before 1 January 2011 and payments/income made after 31 December 2011
4. The classification of amounts paid/received on each line is accurate and does not include amounts due to be reported on other lines
5. The amounts paid/received do not include amounts paid/received on behalf of other Entities
6. The amounts paid/received only include amounts paid/received by the Entity
7. The accounts of the Entity on which the figures are based have been audited and an unqualified audit opinion issued thereon in accordance with International Standards on Auditing

_____ **Name**
 _____ **Position**
 _____ **Signature and Stamp**

Auditors Certification

I, **(name)**, registered external auditor, have examined the foregoing ZETI reporting template of **(insert name of Mining Company/Government Agency)** and can confirm that I have tested the completeness and accuracy of the extraction of the payments data included on the reporting template from the audited accounting records/financial statements of the Entity for the period(s) [stat dates] under International Auditing Standards.

Based on this examination, we confirm that the transactions reported therein are in accordance with instructions issued by ZETI, are complete and are in agreement with the books of account for the respective period.

_____ **Name**
 _____ **Position within the Audit firm**
 _____ **Name of the Audit Firm (if applicable)**
 _____ **Address of the Audit Firm (or Auditor)**
 _____ **Signature and Stamp**

Annex 2: List of mining companies paying taxes to the ZRA below the materiality threshold

N°	NAME OF MINING COMPANY	Total (million ZMW)
1	GENESIS PROCUREMENT LIMITED	1,620
2	LIONS GROUP QUARRIES LIMITED	1,514
3	DENISON MINES ZAMBIA LIMITED	1,475
4	UNITURTLE INDUSTRIES (ZAMBIA) LIMITED	1,376
5	TEAL ZAMBIA LIMITED	1,345
6	DOLOMITE AGGREGATES LIMITED	1,162
7	ZAMBEZI PORTLAND CEMENT LIMITED	1,056
8	AGGREGATES LIMITED	727
9	MAOSHENG MINERAL RESOURCES ZAMBIA LIMITED	707
10	CALCITE LIMITED	534
11	KARIBA MINERALS LIMITED	401
12	TAURIAN MANGANESE LIMITED	384
13	MWEMBESHI RESOURCES LIMITED	374
14	JAGODA GEMS LIMITED	371
15	CNMC MPONGWE MINING COMPANY LIMITED	279
16	COLLUM COAL NEW MINING SHAFT THREE LIMITED	259
17	COLLUM COAL MINE SHAFT ONE LIMITED	233
18	COLLUM COAL MINING SHAFT TWO LIMITED	209
19	LUIRI GOLD MINES LIMITED	201
20	NORTHCORE MINERALS LIMITED	198
21	SOUTHERN QUARRIES LIMITED	189
22	ASIA MINERALS ZAMBIA LIMITED	174
23	COLLUM COAL MINING SHAFT SIX LIMITED	130
24	MINDECO SMALL MINES LIMITED	103
25	UNITED QUARRIES LIMITED	102
26	JIN DING MINING LIMITED	94
27	FANTASY GEMS LIMITED	79
28	EBENEZER EMERALD MINES LIMITED	78
29	EARTHSTONE RESOURCES ZAMBIA	77
30	DIA-STAR GEMSTONES LIMITED	61
31	ZAMBEZI NATURAL STONE COMPANY LIMITED	59
32	BANGWEULU BATTERIES LIMITED	58
33	ZAMBIAN GOLDCOMMON RESOURCES HOLDINGS LIMITED	48
34	GTM STONES LIMITED	47
35	CRUSHED STONE SALES LIMITED	44
36	SHAHEEN INTERNATIONAL CO. LIMITED	40
37	ZHONGHE INVESTMENT GROUP CORPORATIO	37
38	FIREPIT MINING LIMITED	27
39	GEMFIELDS HOLDINGS ZAMBIA LIMITED	24
40	TONGYI LEAD AND ZINC MINING ZAMBIA	22
41	COLLUM COAL MINING INDUSTRIES LTD	22
42	BARAKAT GEM COMPANY LIMITED	21

N°	NAME OF MINING COMPANY	Total (million ZMW)
43	AWAN ZAMBIA LIMITED	17
44	CHUMWE MINING LIMITED	17
45	LUAPULA BASE METALS LIMITED	16
46	UNIQUE GREEN GEMS LIMITED	13
47	LONG JIANG NON-FERROUS MINING ZAMBIA	10
48	MONTAUK MINING AND MINERA	8
49	ZAMBIAN GOLDCOMMON MINING DEVELOPMENT CO. LTD	6
50	SHANI MINERALS LIMITED	4
51	KAMPAS MINING COMPANY LIMITED	3
52	ABAR INTERNATIONAL MINING	3
53	GRAMIRAJ INVESTMENTS LIMITED	3
54	GEORGE AMBALI	3
55	NAZMUL MINING COMPANY LIMITED	1
56	EMUSA MINING COMPANY LIMITED	1
57	VAZ MINING ZAMBIA LIMITED	0.4
58	CALEDONIA NAMA LTD	0.2
59	KALAHARI GEOENERGY LIMITED	0.1
TOTAL		16,069

Annex 3: List of non-extractive companies paying taxes to the ZRA in excess of the materiality threshold

N°	NAME OF MINING COMPANY	Total (million ZMW)
1	MOOLMAN MINING ZAMBIA LIMITED	86,101
2	BYRNECUT MINING INTERNATIONAL LIMITED	42,680
3	U & M MINING (ZAMBIA) LIMITED	35,322
4	MURRAY AND ROBERTS CEMENTATION Z LD	32,859
5	LAYNE DRILLING ZAMBIA	21,604
6	WEIR MINERALS CENTRAL AFRICA	14,906
7	CHANTETE EMERALDS LIMITED	12,729
8	BLU ROCK MINING SERVICES LIMITED	11,675
9	E.C MINING LIMITED	9,520
10	CAPITAL DRILLING ZAMBIA LIMITED	9,176
11	JV CIVILS LIMITED	9,158
12	CAPITAL DRILLING ZAMBIA LIMITED	4,309
13	GEOQUEST LIMITED	2,571
TOTAL		292,611

Annex 4: Unilateral disclose of revenues by the ZRA

N°	NAME OF MINING COMPANY	Total disclosed unilaterally by ZRA (k ZMW)
1	GENESIS PROCUREMENT LIMITED	1,564
2	LIONS GROUP QUARRIES LIMITED	1,514
3	DENISON MINES ZAMBIA LIMITED	1,474
4	UNITURTLE INDUSTRIES (ZAMBIA) LIMITED	1,376
5	TEAL (ZAMBIA) LIMITED	1,344
6	DOLOMITE AGGREGATES LIMITED	1,162
7	AGGREGATES LIMITED	727
8	MAOSHENG MINERAL RESOURCES ZAMBIA LIMITED	706
9	CALCITE LIMITED	534
10	KARIBA MINERALS LIMITED	394
11	MWEMBESHI RESOURCES LIMITED	373
12	JAGODA GEMS LIMITED	370
13	TAURIAN MANGANESE LIMITED	316
14	CNMC MPONGWE MINING COMPANY LIMITED	279
15	COLLUM COAL NEW MINING SHAFT THREE LIMITED	259
16	COLLUM COAL MINE SHAFT ONE LIMITED	233
17	COLLUM COAL MINING SHAFT TWO LIMITED	209
18	LUIRI GOLD MINES LIMITED	201
19	NORTHCORE MINERALS LIMITED	198
20	SOUTHERN QUARRIES LIMITED	189
21	ASIA MINERALS ZAMBIA LIMITED	174
22	COLLUM COAL MINING SHAFT SIX LIMITED	130
23	UNITED QUARRIES LIMITED	102
24	MINDECO SMALL MINES	96
25	JIN DING MINING LIMITED	93
26	FANTASY GEMS LIMITED	79
27	EBENEZER EMERALD MINES LIMITED	78
28	EARTHSTONE RESOURCES ZAMBIA	75
29	DIA-STAR GEMSTONES LIMITED	61
30	BANGWEULU BATTERIES LIMITED	58
31	ZAMBIAN GOLDCOMMON RESOURCES HOLDINGS LIMITED	54
32	GTM STONES LIMITED	47
33	CRUSTED STONE SALES LIMITED	44
34	SHAHEEN INTERNATIONAL CO. LIMITED	40
35	ZHONGHE INVESTMENT GROUP CORPORATION LIMITED	37
36	FIREPIT MINING LIMITED	27
37	GEMFIELDS HOLDINGS ZAMBIA LIMITED	24
38	BARAKAT GEMS COMPANY LIMITED	20
39	COLLUM COAL MINING INDUSTRIES LIMITED	18
40	TONGYI LEAD AND ZINC MINING ZAMBIA LIMITED	17
41	CHUMWE MINING LIMITED	17
42	AWAN ZAMBIA LIMITED	17
43	LUAPULA BASE METALS LIMITED	16
44	UNIQUE GREEN GEMS LIMITED	13
45	KAMPAS MINING COMPANY LIMITED	3
46	GEORGE AMBALI	3
47	GRAMIRAJ INVESTMENT LIMITED	3
48	ABAR INTERNATIONAL	2
49	EMUSA MINING COMPANY LIMITED	1
50	NAZMUL MINING COMPANY LIMITED	1
Total		14,776

Annex 5: List of Oil and Gas companies

ITEM NUMBER	NAME OF COMPANY	BLOCK GRANTED	LICENCE NUMBER	DATE OF GRANT
1	ZCCM-IH	1	PEL 012	23/06/2011
		4	PEL013	23/06/2011
		6	PEL014	23/06/2011
		10	PEL015	23/06/2011
2	MINEX INT (Z) LTD	27	PEL017	14/09/2011
3	PETRODEL RESOURCES	17	PEL005	25/03/2011
4	RAPID AFRICAN ENERGY	31	PEL007	13/05/2011
5	TERRALINNA (Z) LTD	24	PEL009	23/06/2011
		38	PEL010	23/06/2012
6	FRONTIER RESOURCES INTERNATIONAL/METPROSOL	34	PEL004	25/03/2011
7	MAJETU LIMITED	13	PEL006	20/04/2011
8	MAFULA ENERGY LIMITED	32	PEL008	30/06/2011
9	GAPEX RESOURCES LIMITED	7	PEL011	23/06/2011
10	EXILE RESOURCES	26	PEL003	06/04/2011
11	CHAT MILLING	5	PEL016	30/06/2011
12	BAROTSE PETROLEUM COMPANY	20	PEL001	01/11/2011
		21	PEL002	01/11/2011

Annex 6: Tracking table of certified declaration forms

COMPANIES / GOVERNMENT AGENCIES	Reception of reporting templates Electronic copy (Not Certified)	Reception of certified Reporting Templates Scanned version	Certified Reporting Templates Hard Copy / Scanned Copy	Entity in charge of the certification
Extractive companies				
KONKOLA COPPER MINES PLC	29/10/2013	Not submitted	n.a	n.a
KANSANSHI MINING PLC	21/10/2013	05/11/2013	Scanned Copy	PriceWaterhouseCoopers
MOPANI COPPER MINES PLC	22/10/2013	04/11/2013	Hard Copy	Deloitte & Touche
FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	23/10/2013	Not submitted	n.a	n.a
LUMWANA MINING COMPANY LIMITED	21/10/2013	30/01/2014	Scanned Copy	PriceWaterhouseCoopers
NFC AFRICA MINING PLC	22/10/2013	Not submitted	n.a	n.a
CHIBULUMA MINES PLC.	13/11/2013	12/11/2013	Scanned Copy	Deloitte & Touche
CHAMBISHI COPPER SMELTER LIMITED	25/10/2013	Not submitted	n.a	n.a
NDOLA LIME COMPANY LIMITED	30/10/2013	30/01/2014	Scanned Copy	PriceWaterhouseCoopers
CHAMBISHI METALS PLC	24/10/2013	12/12/2013	Scanned Copy	Ernst & Young
CNMC LUANSHYA COPPER MINES PLC	21/10/2013	Not submitted	n.a	n.a
SCIROCCO ENTERPRISES LIMITED	11/12/2013	Not submitted	n.a	n.a
KAGEM MINING LIMITED	23/10/2013	Not submitted	n.a	n.a
SINO-METALS LEACH ZAMBIA LTD	22/10/2013	24/01/2014	Scanned Copy	Deloitte & Touche
ALBIDON ZAMBIA LIMITED	05/11/2013	Not submitted	n.a	n.a
GRIZZLY MINING LIMITED	22/10/2013	27/01/2013	Scanned Copy	Tom Banda and Associates
Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	09/01/2014	Not submitted	n.a	n.a
UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	17/01/2014	Not submitted	n.a	n.a
Sable Zinc Kabwe Limited	07/11/2013	Not submitted	n.a	n.a
SAN HE (ZAMBIA) LIMITED	15/11/2013	12/12/2013	Scanned Copy	JCM ASSOCIATES & COMPANY
BHP BILLITON WORLD EXPLORATION INC	Not submitted	Not submitted	n.a	n.a
Kalumbila Minerals Limited	29/10/2013	Not submitted	n.a	n.a
Lubambe Copper Mine Limited	25/10/2013	31/01/2014	Scanned Copy	Ernst & Young
MAAMBA COLLIERIES LIMITED	30/10/2013	Not submitted	n.a	n.a
LAFARGE CEMENT ZAMBIA PLC	14/11/2013	Not submitted	n.a	n.a
ZCCM-IH	25/10/2013	Not submitted	n.a	n.a

COMPANIES / GOVERNMENT AGENCIES	Reception of reporting templates Electronic copy (Not Certified)	Reception of certified Reporting Templates Scanned version	Certified Reporting Templates Hard Copy / Scanned Copy	Entity in charge of the certification
Administrations				
Zambian Revenue Authority (ZRA)	04/11/2013	submitted	n.a	Auditor General
Ministry of Mines, Energy and Water Development	04/11/2013	submitted	n.a	Auditor General
Ministry of Lands	15/11/2013	submitted	n.a	Auditor General
Ministry of Finance and National Planning	15/11/2013	submitted	n.a	Auditor General
Local Councils				
Mufiliradi Municipal Council	29/10/2013	29/10/2013	Hard Copy	Office of the Auditor General
Kalulushi Municipal Council	04/11/2013	04/11/2013	Hard Copy	Local government Senior Auditor
Kalomo District Council	04/11/2013	29/01/2014	n.a	Local government Senior Auditor
Kitwe City Council	31/10/2013	31/10/2013	Hard Copy	Office of the Auditor General
Chililabombwe Municipal Council	22/10/2013	29/01/2014	n.a	Office of the Auditor General
Luanshya Muncipal Council	28/10/2013	submitted	n.a	Local government Senior Auditor
Chingola Municipal Council	19/10/2013	29/01/2014	n.a	Office of the Auditor General
Kabwe District Council	29/10/2013	29/01/2014	n.a	Director of finance - Internal Audit
Mazabuka Municipal Council	29/10/2013	29/01/2014	n.a	Local government Senior Auditor
Ndola City Council	29/10/2013	submitted	n.a	Local government Senior Auditor
Lufwanyama District Council	29/10/2013	29/01/2014	n.a	Local government Senior Auditor
Lusaka City	05/11/2013	29/01/2014	n.a	Local government Senior Auditor
Mumbwa Council	29/10/2013	29/01/2014	n.a	Local government Senior Auditor
Sinazongwe District Council	29/10/2013	29/01/2014	n.a	Local government Senior Auditor
Solwezi Municipal Council	19/12/2013	Not submitted	n.a	n.a
Kafuwe District Council	29/10/2013	29/01/2014	n.a	Local government Senior Auditor

n.a: Not applicable

Annex 7: Extractive companies profile

N°	Entities	TPIN	Company Shareholding	License N°	Type of licence
1	KONKOLA COPPER MINES PLC	1100004362808	<ul style="list-style-type: none"> Vedanta Resources (79.42%) ZCCM-IH (20.58%) 	7076-HQ-LML 7074-HQ-LML 7075-HQ-LML 102099-HQ-MPL 7057-HQ-LML	Large Scale Mining Licence Large Scale Mining Licence Large Scale Mining Licence Mineral Processing Licence Large Scale Mining Licence
2	KANSANSHI MINING PLC	1000003752904	<ul style="list-style-type: none"> ZCCM-IH (20%) First Quabtum Minerals (80%) 	7073-HQ-LML	Large Scale Mining Licence
3	MOPANI COPPER MINES PLC	1000004413904	<ul style="list-style-type: none"> Glencore (Carlisa Investments Corp.) (73%) First Quantum Minerals (17%) ZCCM-IH (10%) 		
4	FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	1000003610011	<i>Not indicated</i>	<i>Not indicated</i>	<i>Not indicated</i>
5	LUMWANA MINING COMPANY LIMITED	1000004325412	<ul style="list-style-type: none"> Equinox Africa Limited (100%) 	LML49	Large Scale Mining Licence
6	NFC AFRICA MINING PLC	1000004017208	<ul style="list-style-type: none"> CNMC (85%) ZCCM-IH (15%) 	7069-HQ-LML	Large Scale Mining Licence
7	CHIBULUMA MINES PLC.	1000003909710	<ul style="list-style-type: none"> ZCCM IH (15%) METOREX (85%) 	7064-HQ-LML	Large Scale Mining Licence
8	CHAMBISHI COPPER SMELTER LIMITED	1000006840309	<i>Not indicated</i>	7065-HQ-LML	Large Scale Mining Licence
9	NDOLA LIME COMPANY LIMITED	10000000005311	<i>Not indicated</i>	281 53	Prospecting Incorporation
10	CHAMBISHI METALS PLC	1000004115101	<ul style="list-style-type: none"> ZCCM-IH (10%) ENRC (90%) 	7045-HQ-LML <i>Not indicated</i>	Large Scale Mining Licence <i>Not indicated</i>
11	CNMC LUANSHYA COPPER MINES PLC	1000005716903	<i>Not indicated</i>	8404-HQ-LML 8396-HQ-LML 8395-HQ-LML 8394-HQ-LML 8392-HQ-LML 8393-HQ-LML 8097-HQ-LML	Large Scale Mining Licence Large Scale Mining Licence
12	SCIROCCO ENTERPRISES LIMITED	1001722079	Family Owned (100%)	8383-HQ-SML	<i>Not indicated</i>
13	KAGEM MINING LIMITED	1000001295808	<ul style="list-style-type: none"> ZCCM-IH (25%) Gemfields Plc (75%) 	<i>Not indicated</i>	Large Scale Gemstone Mining
14	SINO-METALS LEACH ZAMBIA LTD	1000008677602	<i>Not indicated</i>	101973-HQ-MPL	Mineral Processing Licence
15	ALBIDON ZAMBIA LIMITED	1000004452305	<i>Not indicated</i>	<i>Not indicated</i>	Large Scale Mining Licence

N°	Entities	TPIN	Company Shareholding	License N°	Type of licence
16	GRIZZLY MINING LIMITED	1000003842412	<i>Not indicated</i>	14532-HQ-LSGL	Large Scale Mining Licence
17	Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	1000006629411	<i>Not indicated</i>	<i>Not indicated</i>	<i>Not indicated</i>
18	UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED	2000000931009	<i>Not indicated</i>	13700-HQ-LML 55 LML 66	Large Scale Mining Licence Large Scale Mining Licence
19	Sable Zinc Kabwe Limited	1000004384008	<ul style="list-style-type: none"> Glencore Investsnts BV (99%) Finges Investment BV (1%) 	102158-HQ-MPL	Mineral Processing Licence
20	SAN HE (ZAMBIA) LIMITED	1001784228	<i>Not indicated</i>	13952-HQ-SML 14064-HQ-SML	Small Scale Mining License Small Scale Mining License
21	BHP BILLITON WORLD EXPLORATION INC	1000001564404	<i>Not indicated</i>	Not indicated	<i>Not indicated</i>
22	Kalumbila Minerals Limited	1000006426206	<i>Not indicated</i>	15868 HQ - LML	Large Scale Mining Licence
				15869 HQ - LML	Large Scale Mining Licence
				15870 HQ - LML	Large Scale Mining Licence
				15871 HQ - LML	Large Scale Mining Licence
				15872 HQ - LML	Large Scale Mining Licence
23	Lubambe Copper Mine Limited	1000003722701	<ul style="list-style-type: none"> Vale (40%) Africa Rainbow Resources (40%) ZCCM IH (20%) 	7061-HQ-LML	Large Scale Mining Licence
24	MAAMBA COLLIERIES LIMITED	1000000636405	<i>Not indicated</i>	7058HQ LML	Large Scale Mining Licence
25	LAFARGE CEMENT ZAMBIA PLC	1100000030404	<i>Not indicated</i>	8325-HQ-LML 7359-HQ-SML	Large Scale Mining Licence Small Scale Mining License
26	ZCCM-IH	1000000077106	<ul style="list-style-type: none"> Republic of Zambia (100%) 	Not applicable	Not applicable

Annex 8: Reconciliation sheet by company

TAXPAYER NAME		KONKOLA COPPER MINES PLC			MINERAL EXTRACTED		PRODUCTION		
TAXPAYER IDENTIFICATION NUMBER (TPIN)		1100004362808			Copper		244,479 Tonnes		
LICENCE NO/TYPE		7076-HQ-LML Large Scale Mining Licence							
LICENCE NO/TYPE		7074-HQ-LML Large Scale Mining Licence							
LICENCE NO/TYPE		7075-HQ-LML Large Scale Mining Licence							
LICENCE NO/TYPE		102099-HQ-MPL Mineral Processing Licence							
		Per Company			Per Government			Govt Agency	Final Diff.
Tax	Tax name	Original	Adjust	Final	Original	Adjust	Final		
Ministry of Mines and Mineral Development									
1	Application Fees			-	450.00		450.00	MoMMD	- 450.00
2	Licence Fees	2,844.00		2,844.00	5,300.64		5,300.64	MoMMD	- 2,456.64
3	Area Charges			-	4,494.28		4,494.28	MoMMD	- 4,494.28
4	Valuation Fees			-	3,870.00		3,870.00	MoMMD	- 3,870.00
5	Annual Operating Permit	990.00		990.00	4,950.00		4,950.00	MoMMD	- 3,960.00
6	Environmental Protection Fund		6,585,583.82	6,585,583.82	6,585,583.82		6,585,583.82	MoMMD	-
7	Other fees & charges			-	3,409.00		3,409.00	MoMMD	- 3,409.00
Zambia Revenue Authority									
8	Pay- As-You-Earn	255,335,465.09	481,007.73	255,816,472.82	255,936,941.64	- 120,468.83	255,816,472.81	ZRA	- 0.01
9	Import VAT			-	133,041,307.91		133,041,307.91	ZRA	- 133,041,307.91
10	Mineral Royalty	181,353,917.65	- 16,269,712.39	165,084,205.25	146,571,297.29	18,512,907.98	165,084,205.27	ZRA	- 0.02
11	Company Income Tax (Inc. Provisional Tax)		54,428.58	54,428.58	129,033,409.72	- 128,978,981.14	54,428.58	ZRA	- 0.00
12	VAT (Net paid)			-	1,062,355.09		1,062,355.09	ZRA	- 1,062,355.09
13	Import/Customs Duty	32,625,118.90		32,625,118.90	32,109,453.58		32,109,453.58	ZRA	- 515,665.32
14	Withholding Taxes	45,208,313.44	1,768,826.71	46,977,140.14	43,583,303.38	3,393,836.77	46,977,140.15	ZRA	- 0.01
15	Excise Duty	3,538,046.59		3,538,046.59	3,414,997.46		3,414,997.46	ZRA	- 123,049.13
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax		128,978,981.14	128,978,981.14		128,978,981.14	128,978,981.14	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-	720.99		720.99	ZRA	- 720.99
21	Other taxes (ZRA)			-	70,842.74		70,842.74	ZRA	- 70,842.74
Local Councils									
22	Annual Business Fees		26,572.88	26,572.88	2,158,996.20		2,158,996.20	LCouncil	- 2,132,423.31
23	Property Rates	16,395,824.37	1,699,900.00	18,095,724.37	17,065,052.92		17,065,052.92	LCouncil	- 1,030,671.45
Ministry of Lands									
24	Ground Rent	55,642.90		55,642.90	45.00		45.00	MoL	- 55,597.90
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
Ministry of Finance									
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
ZCCM-IH									
30	Dividends from ZCCM-IH Shares	12,150,000.00		12,150,000.00	12,150,000.00		12,150,000.00	ZCCM-IH	-
31	Price participation fees	97,200,000.00		97,200,000.00	97,200,000.00		97,200,000.00	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
Total payments		643,866,162.93	123,325,588.47	767,191,751.40	880,006,781.66	21,786,275.92	901,793,057.58		- 134,601,306.19

TAXPAYER NAME	KANSANSHI MINING PLC
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000003752904
LICENCE NO/TYPE	7057-HQ-LML Large Scale Mining Licence

MINERAL EXTRACTED	PRODUCTION
Copper	230,295 Tons
Gold	112,288 Ounce

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
Ministry of Mines and Mineral Development									
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-	106.56		106.56	MoMMD	- 106.56
3	Area Charges	7,795.88		7,795.88		7,795.88	7,795.88	MoMMD	-
4	Valuation Fees	57,840.00		57,840.00	666.00	57,840.00	58,506.00	MoMMD	- 666.00
5	Annual Operating Permit	1,980.00		1,980.00	1,980.00		1,980.00	MoMMD	-
6	Environmental Protection Fund			-			-	MoMMD	-
7	Other fees & charges	1,076,405.00	- 1,067,412.44	8,992.56	10,980.00	2,092.80	13,072.80	MoMMD	- 4,080.24
Zambia Revenue Authority									
8	Pay- As-You-Earn	96,800,576.23		96,800,576.23	75,157,309.99	21,643,266.24	96,800,576.23	ZRA	0.00
9	Import VAT	139,172,022.17		139,172,022.17	138,927,746.17	244,009.39	139,171,755.56	ZRA	266.61
10	Mineral Royalty	707,786,636.79	26,029.32	707,812,666.11	707,489,038.28	323,627.83	707,812,666.11	ZRA	- 0.00
11	Company Income Tax (Inc. Provisional Tax)	3,046,199,143.51		3,046,199,143.51	3,167,768,188.40	- 121,569,044.89	3,046,199,143.51	ZRA	0.00
12	VAT (Net paid)		60,608.79	60,608.79	114,245.69		114,245.69	ZRA	- 53,636.90
13	Import/Customs Duty	55,264,143.53		55,264,143.53	55,259,123.50		55,259,123.50	ZRA	5,020.02
14	Withholding Taxes	3,302,724.20		3,302,724.20	2,431,581.47	871,142.74	3,302,724.21	ZRA	- 0.00
15	Excise Duty	4,502,250.42		4,502,250.42	4,502,250.42		4,502,250.42	ZRA	-
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax	121,569,044.89		121,569,044.89		121,569,044.89	121,569,044.89	ZRA	0.00
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)	1,206,170.24		1,206,170.24	27,702.34	1,178,518.68	1,206,221.01	ZRA	- 50.78
Local Councils									
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	10,426,981.27		10,426,981.27		10,426,981.27	10,426,981.27	LCouncil	-
Ministry of Lands									
24	Ground Rent	2,583,217.00		2,583,217.00	1,099.10	2,426,242.37	2,427,341.47	MoL	155,875.53
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
Ministry of Finance									
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
ZCCM-IH									
30	Dividends from ZCCM-IH Shares	52,488,000.00		52,488,000.00	52,488,000.00		52,488,000.00	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
Total payments		4,242,444,931.14	- 980,774.33	4,241,464,156.81	4,204,180,017.92	37,181,517.21	4,241,361,535.13		102,621.69

TAXPAYER NAME	MOPANI COPPER MINES PLC	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	100004413904	Copper	101,362 Tonnes
LICENCE NO/TYPE	7073-HQ-LML Large Scale Mining Licence	Cobalt	893 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-	3,556.90		3,556.90	MoMMD	- 3,556.90
3	Area Charges			-			-	MoMMD	-
4	Valuation Fees			-	9,696.00		9,696.00	MoMMD	- 9,696.00
5	Annual Operating Permit	1,980.00		1,980.00	4,770.00		4,770.00	MoMMD	- 2,790.00
6	Environmental Protection Fund	4,000,567.51		4,000,567.51	4,000,387.69		4,000,387.69	MoMMD	- 179.82
7	Other fees & charges		28,325.00	28,325.00	28,595.00		28,595.00	MoMMD	- 270.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	192,531,024.74		192,531,024.74	190,290,240.03	2,240,784.72	192,531,024.75	ZRA	- 0.00
9	Import VAT	66,346,064.81		66,346,064.81	66,591,556.08		66,591,556.08	ZRA	- 245,491.27
10	Mineral Royalty	139,677,703.82		139,677,703.82	142,790,436.38	3,112,732.81	139,677,703.57	ZRA	0.26
11	Company Income Tax (Inc. Provisional Tax)			-	130,479,999.99	130,479,999.99	-	ZRA	-
12	VAT (Net paid)	6,901,555.45	6,901,555.45	-	1,164,349.01	1,164,349.01	-	ZRA	-
13	Import/Customs Duty	24,087,583.16		24,087,583.16	23,143,643.59		23,143,643.59	ZRA	943,939.57
14	Withholding Taxes	4,110,714.88	316,154.70	4,426,869.58	3,249,274.76	1,185,963.18	4,435,237.94	ZRA	- 8,368.36
15	Excise Duty			-	219,721.74		219,721.74	ZRA	- 219,721.74
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax	130,480,000.00		130,480,000.00		130,479,999.99	130,479,999.99	ZRA	0.01
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-	549.48		549.48	ZRA	- 549.48
21	Other taxes (ZRA)			-	2,148.91		2,148.91	ZRA	- 2,148.91
	Local Councils								
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	5,422,553.09		5,422,553.09	5,422,553.10		5,422,553.10	LCouncil	- 0.00
	Ministry of Lands								
24	Ground Rent			-	1,360.00		1,360.00	MoL	- 1,360.00
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	573,559,747.47	6,557,075.75	567,002,671.73	567,402,838.65	850,333.92	566,552,504.73		450,167.00

TAXPAYER NAME	FIRST QUANTUM MINING AND OPERATIONS LTD-BM M S	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000003610011	Not indicated	Not indicated
LICENCE NO/TYPE	Not indicated		

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-	1,077.19		1,077.19	MoMMD	- 1,077.19
3	Area Charges		43,107.23	43,107.23	50,903.11		50,903.11	MoMMD	- 7,795.88
4	Valuation Fees			-	3,901.00		3,901.00	MoMMD	- 3,901.00
5	Annual Operating Permit			-	1,620.00		1,620.00	MoMMD	- 1,620.00
6	Environmental Protection Fund			-			-	MoMMD	-
7	Other fees & charges			-	6,219.00		6,219.00	MoMMD	- 6,219.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	102,354,719.55		102,354,719.55	103,032,233.75		103,032,233.75	ZRA	- 677,514.20
9	Import VAT	290,855,797.54		290,855,797.54	108,061,990.98		108,061,990.98	ZRA	- 182,793,806.56
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)	123,479,223.63		123,479,223.63	123,479,223.61		123,479,223.61	ZRA	0.02
13	Import/Customs Duty	18,061,311.00		18,061,311.00	48,415,945.91		48,415,945.91	ZRA	- 30,354,634.91
14	Withholding Taxes	3,419,340.42		3,419,340.42		3,419,340.42	3,419,340.42	ZRA	-
15	Excise Duty			-	544,023.02		544,023.02	ZRA	- 544,023.02
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	35,511.03		35,511.03	ZRA	- 35,511.03
	Local Councils								
22	Annual Business Fees			-	999.00		999.00	LCouncil	- 999.00
23	Property Rates	1,421,300.93		1,421,300.93	1,736,000.00	173,600.00	1,909,600.00	LCouncil	- 488,299.07
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	539,591,693.07	43,107.23	539,634,800.30	385,369,647.60	3,592,940.42	388,962,588.01		150,672,212.29

TAXPAYER NAME	LUMWANA MINING COMPANY LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000004325412
LICENCE NO/TYPE	LML49/Large Scale Mining

MINERAL EXTRACTED	PRODUCTION
Copper concentrates	117,022.38 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees	-	-	-	-	-	-	MoMMD	-
2	Licence Fees	48,780.00	-	48,780.00	-	48,780.00	48,780.00	MoMMD	-
3	Area Charges	-	-	-	1,332.00	-	1,332.00	MoMMD	1,332.00
4	Valuation Fees	-	-	-	3,717.00	-	3,717.00	MoMMD	3,717.00
5	Annual Operating Permit	-	-	-	-	-	-	MoMMD	-
6	Environmental Protection Fund	311,647.50	-	311,647.50	311,642.64	-	311,642.64	MoMMD	4.86
7	Other fees & charges	-	-	-	3,780.00	-	3,780.00	MoMMD	3,780.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	136,542,194.16	2,216,652.10	138,758,846.26	92,100,886.83	46,657,959.37	138,758,846.20	ZRA	0.06
9	Import VAT	160,108,541.46	-	160,108,541.46	159,919,144.72	-	159,919,144.72	ZRA	189,396.74
10	Mineral Royalty	355,647,843.39	-	355,647,843.39	355,647,844.40	-	355,647,844.40	ZRA	1.01
11	Company Income Tax (Inc. Provisional Tax)	-	-	-	-	-	-	ZRA	-
12	VAT (Net paid)	10,525,639.95	-	10,525,639.95	10,525,639.96	-	10,525,639.96	ZRA	0.01
13	Import/Customs Duty	10,149,149.59	-	10,149,149.59	10,045,175.85	-	10,045,175.85	ZRA	103,973.74
14	Withholding Taxes	-	-	-	-	-	-	ZRA	-
15	Excise Duty	149,793.84	141,185.84	8,608.00	12,923.73	-	12,923.73	ZRA	4,315.73
16	Property Transfer Tax	-	-	-	-	-	-	ZRA	-
17	Wind Fall Tax	-	-	-	-	-	-	ZRA	-
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	5,045.98	-	5,045.98	-	-	-	ZRA	5,045.98
20	Export Levy	-	-	-	7.34	-	7.34	ZRA	7.34
21	Other taxes (ZRA)	2,641,695.46	141,185.84	2,782,881.30	4,346.73	2,782,619.28	2,786,966.01	ZRA	4,084.71
	Local Councils								
22	Annual Business Fees	-	-	-	-	-	-	LCouncil	-
23	Property Rates	-	-	-	-	-	-	LCouncil	-
	Ministry of Lands								
24	Ground Rent	-	-	-	-	-	-	MoL	-
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	-	-	-	-	-	-	MoL	-
27	Preparation fees	-	-	-	-	-	-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
	Total payments	676,130,331.33	2,216,652.10	678,346,983.43	628,576,441.19	49,489,358.65	678,065,799.85		281,183.58

TAXPAYER NAME	NFC AFRICA MINING PLC	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000004017208	Copper	23,247 Tonnes
LICENCE NO/TYPE	7069-HQ-LML /Large Scale Mining		

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees	-	-	-	360.00	-	360.00	MoMMD	- 360.00
2	Licence Fees	95,835.00	-	95,835.00	112.32	-	112.32	MoMMD	95,722.68
3	Area Charges	11,640.92	-	11,640.92	-	11,640.92	11,640.92	MoMMD	-
4	Valuation Fees	-	-	-	-	-	-	MoMMD	-
5	Annual Operating Permit	990.00	-	990.00	900.00	-	900.00	MoMMD	90.00
6	Environmental Protection Fund	-	-	-	5,248,800.00	-	5,248,800.00	MoMMD	- 5,248,800.00
7	Other fees & charges	-	-	-	270.00	-	270.00	MoMMD	- 270.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	13,900,157.01	-	13,900,157.01	13,902,317.27	-	13,902,317.27	ZRA	- 2,160.26
9	Import VAT	7,599,453.70	-	7,599,453.70	7,747,781.69	-	7,747,781.69	ZRA	- 148,327.99
10	Mineral Royalty	31,562,086.40	-	31,562,086.40	31,562,086.42	-	31,562,086.42	ZRA	- 0.02
11	Company Income Tax (Inc. Provisional Tax)	22,804,057.59	-	22,804,057.59	32,278,189.16	- 9,474,131.57	22,804,057.59	ZRA	0.00
12	VAT (Net paid)	-	-	-	-	-	-	ZRA	-
13	Import/Customs Duty	1,692,584.79	-	1,692,584.79	1,604,914.59	-	1,604,914.59	ZRA	87,670.20
14	Withholding Taxes	9,181,660.55	-	9,181,660.55	11,312,430.14	- 2,000,000.00	9,312,430.14	ZRA	- 130,769.59
15	Excise Duty	-	-	-	-	-	-	ZRA	-
16	Property Transfer Tax	-	-	-	-	-	-	ZRA	-
17	Wind Fall Tax	13,474,131.57	-	13,474,131.57	-	13,474,131.57	13,474,131.57	ZRA	- 0.00
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	-	-	-	-	-	-	ZRA	-
20	Export Levy	-	-	-	57.01	-	57.01	ZRA	- 57.01
21	Other taxes (ZRA)	14,989.93	-	14,989.93	4,697.82	14,016.60	18,714.42	ZRA	- 3,724.49
	Local Councils								
22	Annual Business Fees	-	-	-	-	-	-	LCouncil	-
23	Property Rates	1,022,460.06	-	1,022,460.06	1,022,459.66	-	1,022,459.66	LCouncil	0.40
	Ministry of Lands								
24	Ground Rent	607,319.00	-	607,319.00	-	-	-	MoL	607,319.00
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	10,600.00	-	10,600.00	-	-	-	MoL	10,600.00
27	Preparation fees	-	-	-	-	-	-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
	Total payments	101,977,966.53	-	101,977,966.53	104,685,376.07	2,025,657.52	106,711,033.59		- 4,733,067.06

TAXPAYER NAME	CHIBULUMA MINES PLC.
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000003909710
LICENCE NO/TYPE	7064-HQ-LML Large Scale Mining Licence
	7065-HQ-LML Large Scale Mining Licence

MINERAL EXTRACTED	PRODUCTION
Cooper Ore	17,533 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-	698.40		698.40	MoMMD	- 698.40
3	Area Charges	30,316.31		30,316.31	30,316.31		30,316.31	MoMMD	0.01
4	Valuation Fees			-			-	MoMMD	-
5	Annual Operating Permit	990.00		990.00	990.00		990.00	MoMMD	-
6	Environmental Protection Fund			-			-	MoMMD	-
7	Other fees & charges	662.00		662.00	405.00		405.00	MoMMD	257.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	24,276,020.21		24,276,020.21	22,742,047.34	1,536,796.62	24,278,843.96	ZRA	- 2,823.75
9	Import VAT		775,424.20	775,424.20	3,325,870.07		3,325,870.07	ZRA	- 2,550,445.87
10	Mineral Royalty	20,677,253.83		20,677,253.83	18,954,775.01	1,722,478.82	20,677,253.83	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	102,577,986.36	39,325,579.65	141,903,566.01	178,227,259.00	9,067,252.00	169,160,007.00	ZRA	- 27,256,440.99
12	VAT (Net paid)	- 22,818,948.33	23,495,359.91	676,411.58	676,411.58		676,411.58	ZRA	0.00
13	Import/Customs Duty	742,152.81	685.22	742,838.03	923,152.97	180,795.73	1,103,948.70	ZRA	- 361,110.66
14	Withholding Taxes	1,812,010.99		1,812,010.99	1,516,752.03	295,258.96	1,812,010.99	ZRA	-
15	Excise Duty			-			-	ZRA	-
16	Property Transfer Tax			-	8,850.00		8,850.00	ZRA	- 8,850.00
17	Wind Fall Tax	9,067,252.00		9,067,252.00		9,067,252.00	9,067,252.00	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-	6,630.94		6,630.94	ZRA	- 6,630.94
21	Other taxes (ZRA)			-	2,538.69		2,538.69	ZRA	- 2,538.69
	Local Councils							MoF	
22	Annual Business Fees	13,450.50		13,450.50	-		-	LCouncil	13,450.50
23	Property Rates	204,589.30		204,589.30	161,114.00	42,525.00	203,639.00	LCouncil	950.30
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares		26,783,460.00	26,783,460.00	40,791,695.29		40,791,695.29	ZCCM-IH	- 14,008,235.29
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	136,583,735.98	90,380,508.98	226,964,244.96	267,369,506.62	3,777,855.13	271,147,361.75		- 44,183,116.79

TAXPAYER NAME	CHAMBISHI METALS PLC	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000004115101	Cobalt	4,860 Tonnes
LICENCE NO/TYPE	Not indicated	Copper	3,056 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees	65,560.10	-	65,560.10			-	MoMMD	-
3	Area Charges			-			-	MoMMD	-
4	Valuation Fees			-	1,332.00		1,332.00	MoMMD	- 1,332.00
5	Annual Operating Permit			-	4,770.00		4,770.00	MoMMD	- 4,770.00
6	Environmental Protection Fund	413,877.60		413,877.60	413,673.48		413,673.48	MoMMD	- 204.12
7	Other fees & charges			-	1,530.00		1,530.00	MoMMD	- 1,530.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	8,638,748.90		8,638,748.90	11,897,715.95	- 3,258,967.03	8,638,748.92	ZRA	- 0.02
9	Import VAT	20,098,663.54	-	776,431.62	19,417,267.69		19,417,267.69	ZRA	- 95,035.77
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	277,673.12		277,673.12	14,973,741.80	- 14,696,066.68	277,675.12	ZRA	- 2.00
12	VAT (Net paid)		1,436,812.86	1,436,812.86	1,436,812.86		1,436,812.86	ZRA	-
13	Import/Customs Duty	1,909,336.02		1,909,336.02	1,902,801.17		1,902,801.17	ZRA	- 6,534.85
14	Withholding Taxes	3,588,566.32		3,588,566.32	3,251,193.46	337,332.87	3,588,526.33	ZRA	- 39.99
15	Excise Duty	299,653.52	-	82,559.66	217,043.82		217,043.82	ZRA	- 50.04
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax	17,617,700.84		17,617,700.84		17,617,700.84	17,617,700.84	ZRA	- 0.00
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-	28.80		28.80	ZRA	- 28.80
21	Other taxes (ZRA)			-	289.78		289.78	ZRA	- 289.78
	Local Councils								
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	2,100,000.00		2,100,000.00	2,102,888.00		2,102,888.00	LCouncil	- 2,888.00
	Ministry of Lands								
24	Ground Rent	43,563.00		43,563.00	-	43,563.00	43,563.00	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	55,053,342.96	512,261.48	55,565,604.45	55,621,088.81	43,563.00	55,664,651.81		- 99,047.36

TAXPAYER NAME	NDOLA LIME COMPANY LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000000005311
LICENCE NO/TYPE	281 PROSPECTING
	53 INCORPORATION
	7045-HQ-LML LARGE SCALE MINING

MINERAL EXTRACTED	PRODUCTION
Lime stone	668,866 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-	540.00		540.00	MoMMD	- 540.00
2	Licence Fees	9,202.00		9,202.00			-	MoMMD	9,202.00
3	Area Charges			-			-	MoMMD	-
4	Valuation Fees			-			-	MoMMD	-
5	Annual Operating Permit	990.00		990.00	990.00		990.00	MoMMD	-
6	Environmental Protection Fund	262,458.90		262,458.90	267,265.98		267,265.98	MoMMD	- 4,807.08
7	Other fees & charges			-			-	MoMMD	-
	Zambia Revenue Authority								
8	Pay- As-You-Earn	13,685,823.00		13,685,823.00	14,717,648.40	- 1,031,825.02	13,685,823.38	ZRA	- 0.38
9	Import VAT	3,020,052.21		3,020,052.21	4,846,716.38		4,846,716.38	ZRA	- 1,826,664.17
10	Mineral Royalty	9,814,193.75		9,814,193.75	9,403,805.49	410,388.26	9,814,193.75	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	5,361,252.00		5,361,252.00	3,574,168.00	1,787,084.00	5,361,252.00	ZRA	-
12	VAT (Net paid)	7,122,952.00		7,122,952.00	7,878,210.65	- 755,258.98	7,122,951.67	ZRA	0.33
13	Import/Customs Duty	2,596,719.48		2,596,719.48	2,439,192.03		2,439,192.03	ZRA	157,527.46
14	Withholding Taxes			-			-	ZRA	-
15	Excise Duty			-	11,866.80		11,866.80	ZRA	- 11,866.80
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax	102,070.50		102,070.50	67,329.76		67,329.76	ZRA	34,740.74
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	439.78	126,744.48	127,184.26	ZRA	- 127,184.26
	Local Councils								
22	Annual Business Fees	5,000.00		5,000.00			-	LCouncil	5,000.00
23	Property Rates	593,876.76		593,876.76	544,516.64		544,516.64	LCouncil	49,360.12
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	42,574,590.60	-	42,574,590.60	43,752,689.91	537,132.74	44,289,822.65		- 1,715,232.05

TAXPAYER NAME	CHAMBISHI COPPER SMELTER LIMITED	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000006840309	copper blister	140,726 Tonnes
LICENCE NO/TYPE	Not indicated		

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-			-	MoMMD	-
3	Area Charges	1,311.00		1,311.00			-	MoMMD	1,311.00
4	Valuation Fees			-	1,332.00		1,332.00	MoMMD	- 1,332.00
5	Annual Operating Permit			-	3,510.00		3,510.00	MoMMD	- 3,510.00
6	Environmental Protection Fund	7,474,777.20	-	7,474,777.20	159,184.44	7,474,777.20	7,633,961.64	MoMMD	- 159,184.44
7	Other fees & charges			-	4,005.00		4,005.00	MoMMD	- 4,005.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	2,131,767.00		2,131,767.00	2,131,768.66		2,131,768.66	ZRA	- 1.66
9	Import VAT	19,239,679.00		19,239,679.00	20,657,598.60		20,657,598.60	ZRA	- 1,417,919.60
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)	1,025,086.00		1,025,086.00	1,025,086.11		1,025,086.11	ZRA	- 0.11
13	Import/Customs Duty	2,807,848.00		2,807,848.00	3,596,144.64		3,596,144.64	ZRA	- 788,296.64
14	Withholding Taxes	52,083.00		52,083.00			-	ZRA	52,083.00
15	Excise Duty		-	-	133,571.74		133,571.74	ZRA	- 133,571.74
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	579.56		579.56	ZRA	- 579.56
	Local Councils								
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	1,500,000.00		1,500,000.00	1,500,000.00		1,500,000.00	LCouncil	-
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	34,232,551.20	-	34,232,551.20	29,212,780.75	7,474,777.20	36,687,557.95		- 2,455,006.75

TAXPAYER NAME	CNMC LUANSHYA COPPER MINES PLC
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000005716903
LICENCE NO/TYPE	8404-HQ-LML Large Scale Mining Licence
	8396-HQ-LML Large Scale Mining Licence
	8395-HQ-LML Large Scale Mining Licence
	8394-HQ-LML Large Scale Mining Licence
	8392-HQ-LML Large Scale Mining Licence
	8393-HQ-LML Large Scale Mining Licence
	8097-HQ-LML Large Scale Mining Licence

MINERAL EXTRACTED	PRODUCTION
Copper Concentrate	16,018 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees	84,704.80	- 84,704.80	-	567.36		567.36	MoMMD	- 567.36
3	Area Charges	4,763.88		4,763.88				MoMMD	4,763.88
4	Valuation Fees			-			-	MoMMD	-
5	Annual Operating Permit	139,940.00	- 138,950.00	990.00	990.00		990.00	MoMMD	-
6	Environmental Protection Fund	3,826,160.08	- 15,579.88	3,810,580.20	3,810,434.40		3,810,434.40	MoMMD	145.80
7	Other fees & charges			-	8,510.00		8,510.00	MoMMD	- 8,510.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	26,376,990.08		26,376,990.08	26,376,990.07		26,376,990.07	ZRA	0.01
9	Import VAT	65,898,654.49	1,676,736.84	67,575,391.33	67,575,391.06	-	67,575,391.06	ZRA	0.26
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	106,271.88		106,271.88	106,271.88		106,271.88	ZRA	- 0.00
12	VAT (Net paid)			-			-	ZRA	-
13	Import/Customs Duty	1,770,065.51	890,119.37	2,660,184.88	2,660,127.87	-	2,660,127.87	ZRA	57.02
14	Withholding Taxes	461,332.35		461,332.35	461,332.35		461,332.35	ZRA	- 0.00
15	Excise Duty		85,350.17	85,350.17	85,350.17		85,350.17	ZRA	-
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-	188.68		188.68	ZRA	- 188.68
21	Other taxes (ZRA)			-	37,892.78		37,892.78	ZRA	- 37,892.78
	Local Councils								
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	3,262,286.40		3,262,286.40	3,712,286.40	- 450,000.00	3,262,286.40	LCouncil	-
	Ministry of Lands								
24	Ground Rent	5,567,692.78		5,567,692.78				MoL	5,567,692.78
25	Consideration Fees			-			-	MoL	-
26	Registration Fees	19,470.00		19,470.00				MoL	19,470.00
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	107,518,332.24	2,412,971.70	109,931,303.94	104,836,333.02	- 450,000.00	104,386,333.02		5,544,970.92

TAXPAYER NAME	SCIROCCO ENTERPRISES LIMITED	MINERAL EXTRACTED	PRODUCTION	
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1001722079	Limestone	83,268	Tonnes
LICENCE NO/TYPE	8383-HQ-SML			

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-	360.00		360.00	MoMMD	- 360.00
2	Licence Fees			-	-		-	MoMMD	-
3	Area Charges			-	51,697.78		51,697.78	MoMMD	- 51,697.78
4	Valuation Fees			-	54.00		54.00	MoMMD	- 54.00
5	Annual Operating Permit			-	-		-	MoMMD	-
6	Environmental Protection Fund	13,680.00		13,680.00	-		-	MoMMD	13,680.00
7	Other fees & charges			-	0		-	MoMMD	-
	Zambia Revenue Authority								
8	Pay- As-You-Earn	2,289,610.65		2,289,610.65	2,965,202.91		2,965,202.91	ZRA	- 675,592.26
9	Import VAT			-	2,564,147.23		2,564,147.23	ZRA	- 2,564,147.23
10	Mineral Royalty	54,655.67		54,655.67	1,326,977.86		1,326,977.86	ZRA	- 1,272,322.19
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)	2,446,658.16		2,446,658.16	2,111,487.86		2,111,487.86	ZRA	335,170.30
13	Import/Customs Duty			-	514,064.17		514,064.17	ZRA	- 514,064.17
14	Withholding Taxes			-			-	ZRA	-
15	Excise Duty			-	529.45		529.45	ZRA	- 529.45
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	4,777.38		4,777.38	ZRA	- 4,777.38
	Local Councils							MoF	
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates			-			-	LCouncil	-
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	4,804,604.48	-	4,804,604.48	9,539,298.65	-	9,539,298.65		- 4,734,694.16

TAXPAYER NAME	KAGEM MINING LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIIN)	10000012955808
LICENCE NO/TYPE	LARGE SCALE GEMSTONE MINING

MINERAL EXTRACTED	PRODUCTION
Premium	0.06 Tonnes
Emerald	0.98 Tonnes
Beryl-I	1.99 Tonnes
Beryl-II	1.60 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-	270.00		270.00	MoMMD	- 270.00
2	Licence Fees		937.44	937.44	937.44		937.44	MoMMD	-
3	Area Charges			-	-		-	MoMMD	-
4	Valuation Fees		1,350.00	1,350.00	1,350.00		1,350.00	MoMMD	-
5	Annual Operating Permit	1,980.00		1,980.00	1,800.00	180.00	1,980.00	MoMMD	-
6	Environmental Protection Fund			-	-		-	MoMMD	-
7	Other fees & charges		1,557.00	1,557.00	1,557.00		1,557.00	MoMMD	-
	Zambia Revenue Authority								
8	Pay- As-You-Earn	6,419,003.50		6,419,003.50	6,419,003.34		6,419,003.34	ZRA	0.16
9	Import VAT		69,672.38	69,672.38	69,672.38		69,672.38	ZRA	-
10	Mineral Royalty	13,508,665.66		13,508,665.66	13,508,665.66		13,508,665.66	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	-	147,503.18	147,503.18	147,503.18		147,503.18	ZRA	-
12	VAT (Net paid)			-	-		-	ZRA	-
13	Import/Customs Duty		28,725.61	28,725.61	28,725.61		28,725.61	ZRA	-
14	Withholding Taxes	69,276.84	12,292.79	81,569.63	81,569.63		81,569.63	ZRA	-
15	Excise Duty			-	3,925.51		3,925.51	ZRA	- 3,925.51
16	Property Transfer Tax			-	-		-	ZRA	-
17	Wind Fall Tax			-	-		-	ZRA	-
18	Variable profit Tax			-	-		-	ZRA	-
19	Advance Income Tax			-	-		-	ZRA	-
20	Export Levy			-	-		-	ZRA	-
21	Other taxes (ZRA)			-	729.56		729.56	ZRA	- 729.56
	Local Councils							MoF	
22	Annual Business Fees			-	-		-	LCouncil	-
23	Property Rates	55,723.74	11,450.97	67,174.71	67,272.53		67,272.53	LCouncil	- 97.82
	Ministry of Lands							MoL	
24	Ground Rent			-	-		-	MoL	-
25	Consideration Fees			-	-		-	MoL	-
26	Registration Fees			-	-		-	MoL	-
27	Preparation fees			-	-		-	MoL	-
	Ministry of Finance							MoF	
28	Dividends from Government Shares			-	-		-	MoF	-
29	Revenues from GRZ shareholding sale			-	-		-	MoF	-
	ZCCM-IH							ZCCM-IH	
30	Dividends from ZCCM-IH Shares			-	-		-	ZCCM-IH	-
31	Price participation fees			-	-		-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-	-		-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-	-		-	ZCCM-IH	-
	Total payments	20,054,649.74	273,489.36	20,328,139.10	20,332,981.84	180.00	20,333,161.84		- 5,022.74

TAXPAYER NAME	SINO-METALS LEACH ZAMBIA LTD
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000008677602
LICENCE NO/TYPE	101973-HQ-MPL / Mineral Processin Lincenses

MINERAL EXTRACTED	PRODUCTION
Copper cathodes	7,200 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
Ministry of Mines and Mineral Development									
1	Application Fees			-	45.00		45.00	MoMMD	- 45.00
2	Licence Fees	675.00		675.00	-		-	MoMMD	675.00
3	Area Charges			-	-		-	MoMMD	-
4	Valuation Fees			-	-		-	MoMMD	-
5	Annual Operating Permit	990.00		990.00	990.00		990.00	MoMMD	-
6	Environmental Protection Fund			-	-		-	MoMMD	-
7	Other fees & charges			-	2,160.00		2,160.00	MoMMD	- 2,160.00
Zambia Revenue Authority									
8	Pay- As-You-Earn	1,745,257.00		1,745,257.00	1,743,942.32		1,743,942.32	ZRA	1,314.68
9	Import VAT	4,418,700.00		4,418,700.00	4,038,270.69		4,038,270.69	ZRA	380,429.31
10	Mineral Royalty	3,486,112.00		3,486,112.00	2,806,411.59		2,806,411.59	ZRA	679,700.41
11	Company Income Tax (Inc. Provisional Tax)			-	676,700.85		676,700.85	ZRA	- 676,700.85
12	VAT (Net paid)			-	4,582.11		4,582.11	ZRA	- 4,582.11
13	Import/Customs Duty	681,687.00		681,687.00	985,976.58		985,976.58	ZRA	- 304,289.58
14	Withholding Taxes			-			-	ZRA	-
15	Excise Duty			-	22,601.19		22,601.19	ZRA	- 22,601.19
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-	1,455,986.69		1,455,986.69	ZRA	- 1,455,986.69
20	Export Levy			-	213.93		213.93	ZRA	- 213.93
21	Other taxes (ZRA)			-	2,939.00		2,939.00	ZRA	- 2,939.00
Local Councils									
22	Annual Business Fees	14,820.00	- 14,820.00	-			-	LCouncil	-
23	Property Rates	350,000.00		350,000.00	350,000.00		350,000.00	LCouncil	-
Ministry of Lands									
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
Ministry of Finance									
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
ZCCM-IH									
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
Total payments		10,698,241.00	- 14,820.00	10,683,421.00	12,090,819.95	-	12,090,819.95		- 1,407,398.95

TAXPAYER NAME	ALBIDON ZAMBIA LIMITED	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000004452305	NICKEL CONCENTRATES	39,448 Tonnes
LICENCE NO/TYPE	LARGE SCALE MINING LICENCE		

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-	689.40		689.40	MoMMD	- 689.40
3	Area Charges			-			-	MoMMD	-
4	Valuation Fees			-	666.00		666.00	MoMMD	- 666.00
5	Annual Operating Permit	116,527.69	-	116,527.69			-	MoMMD	-
6	Environmental Protection Fund		116,527.69	116,527.69	116,527.69		116,527.69	MoMMD	-
7	Other fees & charges			-	4,770.00		4,770.00	MoMMD	- 4,770.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	7,628,487.26		7,628,487.26	11,947,681.22		11,947,681.22	ZRA	- 4,319,193.96
9	Import VAT	765,756.57		765,756.57	1,688,813.92	-	1,688,813.92	ZRA	- 923,057.35
10	Mineral Royalty	17,246,371.48		17,246,371.48	12,496,371.72	-	12,496,371.72	ZRA	- 4,749,999.76
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)			-			-	ZRA	-
13	Import/Customs Duty	168,439.63		168,439.63	402,612.94	-	402,612.94	ZRA	- 234,173.31
14	Withholding Taxes	1,071.07		1,071.07	1,904,247.09		1,904,247.09	ZRA	- 1,903,176.02
15	Excise Duty			-			-	ZRA	-
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	489.78		489.78	ZRA	- 489.78
	Local Councils								
22	Annual Business Fees	126,698.94		126,698.94			-	LCouncil	126,698.94
23	Property Rates	619,650.00		619,650.00			-	LCouncil	619,650.00
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	26,673,002.63	-	26,673,002.63	28,562,869.76	-	28,562,869.76		- 1,889,867.13

TAXPAYER NAME	GRIZZLY MINING LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000003842412
LICENCE NO/TYPE	14532-HQ-LSGL/Large Scale

MINERAL EXTRACTED	PRODUCTION
Emerald High Grade	7.8 Kg
Emerald Medium Grade	42.6 Kg
Emerald Low Grade	5.2 Tonnes
Beryl	28.6 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees	2,520.00	-	2,520.00	-	-	-	MoMMD	2,520.00
2	Licence Fees	-	-	-	-	-	-	MoMMD	-
3	Area Charges	-	-	-	-	-	-	MoMMD	-
4	Valuation Fees	5,175.00	-	5,175.00	5,175.00	-	5,175.00	MoMMD	-
5	Annual Operating Permit	-	-	-	-	-	-	MoMMD	-
6	Environmental Protection Fund	-	-	-	-	-	-	MoMMD	-
7	Other fees & charges	2,820.98	-	2,820.98	2,970.00	-	2,970.00	MoMMD	- 149.03
	Zambia Revenue Authority								
8	Pay- As-You-Earn	1,216,107.32	-	1,216,107.32	1,216,107.31	-	1,216,107.31	ZRA	0.01
9	Import VAT	262,064.15	-	262,064.15	53,580.34	-	53,580.34	ZRA	208,483.81
10	Mineral Royalty	2,285,703.17	-	2,285,703.17	2,869,218.28	-	2,869,218.28	ZRA	- 583,515.11
11	Company Income Tax (Inc. Provisional Tax)	-	-	-	-	-	-	ZRA	-
12	VAT (Net paid)	-	-	-	26,367.53	-	26,367.53	ZRA	- 26,367.53
13	Import/Customs Duty	-	-	-	14,483.01	-	14,483.01	ZRA	- 14,483.01
14	Withholding Taxes	-	-	-	-	-	-	ZRA	-
15	Excise Duty	-	-	-	-	-	-	ZRA	-
16	Property Transfer Tax	-	-	-	-	-	-	ZRA	-
17	Wind Fall Tax	-	-	-	-	-	-	ZRA	-
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	-	-	-	-	-	-	ZRA	-
20	Export Levy	-	-	-	-	-	-	ZRA	-
21	Other taxes (ZRA)	195.00	-	195.00	-	-	-	ZRA	195.00
	Local Councils								
22	Annual Business Fees	4,155.00	-	4,155.00	-	-	-	LCouncil	4,155.00
23	Property Rates	57,714.82	-	57,714.82	46,119.92	-	46,119.92	LCouncil	11,594.90
	Ministry of Lands								
24	Ground Rent	-	-	-	-	-	-	MoL	-
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	-	-	-	-	-	-	MoL	-
27	Preparation fees	-	-	-	-	-	-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
	Total payments	3,836,455.43	-	3,836,455.43	4,234,021.39	-	4,234,021.39		- 397,565.95

TAXPAYER NAME	Zambian Nonferrous Metals Exploration & Con Co Ltd (*)	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIIN)	1000006629411	Nil	
LICENCE NO/TYPE	Not reported		

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
Ministry of Mines and Mineral Development									
1	Application Fees			-			-	MoMMD	-
2	Licence Fees			-			-	MoMMD	-
3	Area Charges			-			-	MoMMD	-
4	Valuation Fees			-			-	MoMMD	-
5	Annual Operating Permit			-			-	MoMMD	-
6	Environmental Protection Fund			-			-	MoMMD	-
7	Other fees & charges			-	135.00		135.00	MoMMD	- 135.00
Zambia Revenue Authority									
8	Pay- As-You-Earn	67,983.45		67,983.45	67,983.45		67,983.45	ZRA	-
9	Import VAT	1,038,530.91		1,038,530.91	1,228,741.42		1,228,741.42	ZRA	- 190,210.51
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)	5,843,762.40		5,843,762.40	5,843,762.43		5,843,762.43	ZRA	- 0.03
13	Import/Customs Duty	555,636.62		555,636.62	286,374.15		286,374.15	ZRA	- 269,262.47
14	Withholding Taxes			-			-	ZRA	-
15	Excise Duty			-	14,112.76		14,112.76	ZRA	- 14,112.76
16	Property Transfer Tax			-	105.00		105.00	ZRA	- 105.00
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	1,169.35		1,169.35	ZRA	- 1,169.35
Local Councils									
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates			-			-	LCouncil	-
Ministry of Lands									
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
Ministry of Finance									
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
ZCCM-IH									
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
Total payments		7,505,913.38	-	7,505,913.38	7,442,383.55	-	7,442,383.55		63,529.83

TAXPAYER NAME	UNIVERSAL MINING & CHEMICAL INDUSTRIES LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIN)	200000931009
LICENCE NO/TYPE	13700-HQ-LML 55 LARGE SCALES MINING LICENCE
	LML 66 LARGE SCALES MINING LICENCE

MINERAL EXTRACTED	
PRODUCTION	Nil

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-	1,395.00		1,395.00	MoMMD	- 1,395.00
2	Licence Fees			-	-		-	MoMMD	-
3	Area Charges			-	-		-	MoMMD	-
4	Valuation Fees			-	-		-	MoMMD	-
5	Annual Operating Permit			-	-		-	MoMMD	-
6	Environmental Protection Fund			-	-		-	MoMMD	-
7	Other fees & charges			-	1,035.00		1,035.00	MoMMD	- 1,035.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	1,600,115.84		1,600,115.84	1,262,102.25		1,262,102.25	ZRA	338,013.59
9	Import VAT	3,675,660.18		3,675,660.18	3,730,587.67		3,730,587.67	ZRA	- 54,927.49
10	Mineral Royalty	-		-	-		-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	-		-	-		-	ZRA	-
12	VAT (Net paid)	1,738,110.53		1,738,110.53	1,812,151.02		1,812,151.02	ZRA	- 74,040.49
13	Import/Customs Duty	1,032,315.17		1,032,315.17	1,062,529.49		1,062,529.49	ZRA	- 30,214.32
14	Withholding Taxes	15,300.00		15,300.00	15,300.00		15,300.00	ZRA	0.00
15	Excise Duty	-		-	-		-	ZRA	-
16	Property Transfer Tax	-		-	-		-	ZRA	-
17	Wind Fall Tax	-		-	-		-	ZRA	-
18	Variable profit Tax	-		-	-		-	ZRA	-
19	Advance Income Tax	-		-	-		-	ZRA	-
20	Export Levy	-		-	-		-	ZRA	-
21	Other taxes (ZRA)	-		-	4,237.60		4,237.60	ZRA	- 4,237.60
	Local Councils							MoF	
22	Annual Business Fees			-	5,000.00		5,000.00	LCouncil	- 5,000.00
23	Property Rates			-			-	LCouncil	-
	Ministry of Lands								
24	Ground Rent	454.86		454.86			-	MoL	454.86
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	8,061,956.58	-	8,061,956.58	7,894,338.03	-	7,894,338.03		167,618.55

TAXPAYER NAME	Sable Zinc Kabwe Limited	MINERAL EXTRACTED	PRODUCTION	
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000004384008	Copper Cathode	4,605	Tonnes
LICENCE NO/TYPE	102158-HQ-MPL Mineral Processing Licence	Cobalt Carbonate	197	Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-	90.00		90.00	MoMMD	- 90.00
2	Licence Fees	1,800.00		1,800.00	360.00		360.00	MoMMD	1,440.00
3	Area Charges			-	-		-	MoMMD	-
4	Valuation Fees			-	333.00		333.00	MoMMD	- 333.00
5	Annual Operating Permit			-	1,260.00		1,260.00	MoMMD	- 1,260.00
6	Environmental Protection Fund			-	-		-	MoMMD	-
7	Other fees & charges	6,669.00		6,669.00	1,710.00		1,710.00	MoMMD	4,959.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	3,411,808.94		3,411,808.94	3,411,808.94		3,411,808.94	ZRA	- 0.00
9	Import VAT			-	1,975,259.85		1,975,259.85	ZRA	- 1,975,259.85
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)			-			-	ZRA	-
13	Import/Customs Duty			-	396,969.38		396,969.38	ZRA	- 396,969.38
14	Withholding Taxes	3,880,669.75		3,880,669.75	4,261,584.11		4,261,584.11	ZRA	- 380,914.36
15	Excise Duty			-	124,423.70		124,423.70	ZRA	- 124,423.70
16	Property Transfer Tax			-	144,000.00		144,000.00	ZRA	- 144,000.00
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	289.78		289.78	ZRA	- 289.78
	Local Councils							MoF	
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	57,613.00		57,613.00	57,613.00		57,613.00	LCouncil	-
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	7,358,560.69	-	7,358,560.69	10,375,701.76	-	10,375,701.76		- 3,017,141.07

TAXPAYER NAME	SAN HE (ZAMBIA) LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1001784228
LICENCE NO/TYPE	13952-HQ-SML Small Scale Mining License 14064-HQ-SML Small Scale Mining License

MINERAL EXTRACTED	PRODUCTION
Manganese Ore	7066.197
Ferro-Manganese	6093.479

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-	360.00		360.00	MoMMD	- 360.00
2	Licence Fees			-	1,980.00		1,980.00	MoMMD	- 1,980.00
3	Area Charges			-	-		-	MoMMD	-
4	Valuation Fees			-	1,998.00		1,998.00	MoMMD	- 1,998.00
5	Annual Operating Permit			-	-		-	MoMMD	-
6	Environmental Protection Fund			-	-		-	MoMMD	-
7	Other fees & charges	4,032.00		4,032.00	1,710.00		1,710.00	MoMMD	2,322.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	65,279.22		65,279.22	65,279.22		65,279.22	ZRA	-
9	Import VAT	1,904,478.01		1,904,478.01	1,962,846.89		1,962,846.89	ZRA	- 58,368.88
10	Mineral Royalty	945,158.80	-	945,158.80	968,868.50		968,868.50	ZRA	- 23,709.70
11	Company Income Tax (Inc. Provisional Tax)	12,364.00		12,364.00	12,364.00		12,364.00	ZRA	-
12	VAT (Net paid)			-			-	ZRA	-
13	Import/Customs Duty			-	266,209.35		266,209.35	ZRA	- 266,209.35
14	Withholding Taxes			-			-	ZRA	-
15	Excise Duty			-	13,113.90		13,113.90	ZRA	- 13,113.90
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	440.00		440.00	ZRA	- 440.00
	Local Councils							MoF	
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates	9,586.00		9,586.00			-	LCouncil	9,586.00
	Ministry of Lands								
24	Ground Rent	2,249.10		2,249.10	2,249.10		2,249.10	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	2,943,147.13	-	2,943,147.13	3,297,418.96	-	3,297,418.96		- 354,271.82

TAXPAYER NAME	BHP BILLITON WORLD EXPLORATION INC	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000001564404	Not reported	
LICENCE NO/TYPE	Not reported		

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original 1 Or CO	Adjust 2 Adj CO	Final 3 Final CO	Original 4 Or Gov	Adjust 5 Adj Gov	Final 6 Final Gov	7 Govt Agency	8 Diff.
	Ministry of Mines and Mineral Development								
1	Application Fees	-	-	-	-	-	-	MoMMD	-
2	Licence Fees	-	-	-	1,440.00	-	1,440.00	MoMMD	- 1,440.00
3	Area Charges	-	-	-	117,389.14	-	117,389.14	MoMMD	- 117,389.14
4	Valuation Fees	-	-	-	999.00	-	999.00	MoMMD	- 999.00
5	Annual Operating Permit	-	-	-	-	-	-	MoMMD	-
6	Environmental Protection Fund	-	-	-	-	-	-	MoMMD	-
7	Other fees & charges	-	-	-	684.00	-	684.00	MoMMD	- 684.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	-	-	-	5,721,218.64	-	5,721,218.64	ZRA	- 5,721,218.64
9	Import VAT	-	-	-	898,954.43	-	898,954.43	ZRA	- 898,954.43
10	Mineral Royalty	-	-	-	-	-	-	ZRA	-
11	Company Income Tax (Inc. Provisionnal Tax)	-	-	-	-	-	-	ZRA	-
12	VAT (Net paid)	-	-	-	-	-	-	ZRA	-
13	Import/Customs Duty	-	-	-	397,075.73	-	397,075.73	ZRA	- 397,075.73
14	Withholding Taxes	-	-	-	2,612,993.34	-	2,612,993.34	ZRA	- 2,612,993.34
15	Excise Duty	-	-	-	64,032.35	-	64,032.35	ZRA	- 64,032.35
16	Property Transfer Tax	-	-	-	-	-	-	ZRA	-
17	Wind Fall Tax	-	-	-	-	-	-	ZRA	-
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	-	-	-	-	-	-	ZRA	-
20	Export Levy	-	-	-	-	-	-	ZRA	-
21	Other taxes (ZRA)	-	-	-	1,269.35	-	1,269.35	ZRA	- 1,269.35
	Local Councils								
22	Annual Business Fees	-	-	-	200.00	-	200.00	LCouncil	- 200.00
23	Property Rates	-	-	-	-	-	-	LCouncil	-
	Ministry of Lands								
24	Ground Rent	-	-	-	-	-	-	MoL	-
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	-	-	-	-	-	-	MoL	-
27	Preparation fees	-	-	-	-	-	-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
	Total payments	-	-	-	9,816,255.97	-	9,816,255.97		- 9,816,255.97

TAXPAYER NAME	Kalumbila Minerals Limited
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000006426206
LICENCE NO/TYPE	15868 HQ - LML Large Scale Mining Licence
	15869 HQ - LML Large Scale Mining Licence
	15870 HQ - LML Large Scale Mining Licence
	15871 HQ - LML Large Scale Mining Licence
	15872 HQ - LML Large Scale Mining Licence

MINERAL EXTRACTED	PRODUCTION
Nil	

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees	9,000.00		9,000.00	1,800.00		1,800.00	MoMMD	7,200.00
3	Area Charges	43,227.72		43,227.72	43,227.72		43,227.72	MoMMD	-
4	Valuation Fees			-			-	MoMMD	-
5	Annual Operating Permit			-			-	MoMMD	-
6	Environmental Protection Fund			-	311,642.64	- 311,642.64	-	MoMMD	-
7	Other fees & charges			-			-	MoMMD	-
	Zambia Revenue Authority								
8	Pay- As-You-Earn			-			-	ZRA	-
9	Import VAT	1,864,828.32		1,864,828.32	8,244,704.02		8,244,704.02	ZRA	- 6,379,875.70
10	Mineral Royalty			-			-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)			-			-	ZRA	-
12	VAT (Net paid)	- 32,530,544.59	32,530,544.59	-			-	ZRA	-
13	Import/Customs Duty			-	1,653,589.06		1,653,589.06	ZRA	- 1,653,589.06
14	Withholding Taxes			-			-	ZRA	-
15	Excise Duty			-	2,753.44		2,753.44	ZRA	- 2,753.44
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-	206,815.94		206,815.94	ZRA	- 206,815.94
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	7,716.08		7,716.08	ZRA	- 7,716.08
	Local Councils							MoF	
22	Annual Business Fees			-			-	LCouncil	-
23	Property Rates			-			-	LCouncil	-
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	- 30,613,488.55	32,530,544.59	1,917,056.04	10,472,248.89	- 311,642.64	10,160,606.25		- 8,243,550.21

TAXPAYER NAME	Lubambe Copper Mine Limited
TAXPAYER IDENTIFICATION NUMBER (TPIIN)	1000003722701
LICENCE NO/TYPE	7061-HQ-LML Large Scale Mining Licence

MINERAL EXTRACTED	PRODUCTION
Nil	

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees	2,160.00	-	2,160.00	-	-	-	MoMMD	2,160.00
2	Licence Fees	53,079.38	-	53,079.38	252.00	53,079.38	53,331.38	MoMMD	- 252.00
3	Area Charges	-	-	-	-	-	-	MoMMD	-
4	Valuation Fees	-	-	-	1,332.00	-	1,332.00	MoMMD	- 1,332.00
5	Annual Operating Permit	-	-	-	630.00	-	630.00	MoMMD	- 630.00
6	Environmental Protection Fund	-	-	-	-	-	-	MoMMD	-
7	Other fees & charges	-	-	-	1,215.00	-	1,215.00	MoMMD	- 1,215.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	8,430,655.39	- 1,034,872.88	7,395,782.51	7,395,782.51	-	7,395,782.51	ZRA	-
9	Import VAT	41,556,001.10	- 567,190.18	40,988,810.92	-	34,325,305.90	34,325,305.90	ZRA	6,663,505.03
10	Mineral Royalty	-	-	-	-	-	-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	-	-	-	-	-	-	ZRA	-
12	VAT (Net paid)	1,010,325.14	- 1,010,325.14	-	-	-	-	ZRA	-
13	Import/Customs Duty	11,201,440.81	- 3,051,101.77	8,150,339.05	-	6,641,548.04	6,641,548.04	ZRA	1,508,791.01
14	Withholding Taxes	298,957.60	21,277.86	320,235.46	304,845.39	-	304,845.39	ZRA	15,390.07
15	Excise Duty	-	-	-	-	-	-	ZRA	-
16	Property Transfer Tax	-	-	-	-	-	-	ZRA	-
17	Wind Fall Tax	-	-	-	-	-	-	ZRA	-
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	-	-	-	-	-	-	ZRA	-
20	Export Levy	-	-	-	-	-	-	ZRA	-
21	Other taxes (ZRA)	-	-	-	-	-	-	ZRA	-
	Local Councils							MoF	
22	Annual Business Fees	-	-	-	-	-	-	LCouncil	-
23	Property Rates	4,000.00	-	4,000.00	-	-	-	LCouncil	4,000.00
	Ministry of Lands								
24	Ground Rent	73,727.03	-	73,727.03	-	-	-	MoL	73,727.03
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	-	-	-	-	-	-	MoL	-
27	Preparation fees	-	-	-	-	-	-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
	Total payments	62,630,346.45	- 5,642,212.10	56,988,134.35	7,704,056.90	41,019,933.32	48,723,990.22		8,264,144.14

TAXPAYER NAME	MAAMBA COLLIERIES LIMITED
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000000636405
LICENCE NO/TYPE	7058HQ LML Large Scale Mining Licence

MINERAL EXTRACTED	PRODUCTION
MAGNETITE	Nil

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
	Ministry of Mines and Mineral Development								
1	Application Fees			-			-	MoMMD	-
2	Licence Fees	26,000.00	- 26,000.00	-	234.00	-	234.00	MoMMD	- 234.00
3	Area Charges			-			-	MoMMD	-
4	Valuation Fees			-	108.00		108.00	MoMMD	- 108.00
5	Annual Operating Permit			-	1,980.00		1,980.00	MoMMD	- 1,980.00
6	Environmental Protection Fund	1,582,775.50	- 610,775.50	972,000.00	972,000.00	-	972,000.00	MoMMD	-
7	Other fees & charges	16,763.33	- 16,763.33	-	1,080.00	-	1,080.00	MoMMD	- 1,080.00
	Zambia Revenue Authority								
8	Pay- As-You-Earn	6,978,062.21		6,978,062.21	9,597,626.62	- 2,619,564.41	6,978,062.21	ZRA	- 0.00
9	Import VAT	6,004,164.22		6,004,164.22	5,774,111.06		5,774,111.06	ZRA	- 230,053.16
10	Mineral Royalty	901,581.25		901,581.25	901,581.30		901,581.30	ZRA	- 0.05
11	Company Income Tax (Inc. Provisional Tax)	2,619,564.41		2,619,564.41		2,619,564.41	2,619,564.41	ZRA	0.00
12	VAT (Net paid)	9,310,374.29		9,310,374.29	9,310,374.29		9,310,374.29	ZRA	- 0.00
13	Import/Customs Duty	537,253.54		537,253.54	263,634.66		263,634.66	ZRA	- 273,618.89
14	Withholding Taxes	46,592.25		46,592.25	46,592.26		46,592.26	ZRA	- 0.01
15	Excise Duty			-			-	ZRA	-
16	Property Transfer Tax			-			-	ZRA	-
17	Wind Fall Tax			-			-	ZRA	-
18	Variable profit Tax			-			-	ZRA	-
19	Advance Income Tax			-			-	ZRA	-
20	Export Levy			-			-	ZRA	-
21	Other taxes (ZRA)			-	780.00		780.00	ZRA	- 780.00
	Local Councils							MoF	
22	Annual Business Fees	1,929.00		1,929.00	14,000.00		14,000.00	LCouncil	- 12,071.00
23	Property Rates	10,100.31		10,100.31	8,204.00		8,204.00	LCouncil	- 1,896.31
	Ministry of Lands								
24	Ground Rent			-			-	MoL	-
25	Consideration Fees			-			-	MoL	-
26	Registration Fees			-			-	MoL	-
27	Preparation fees			-			-	MoL	-
	Ministry of Finance								
28	Dividends from Government Shares			-			-	MoF	-
29	Revenues from GRZ shareholding sale			-			-	MoF	-
	ZCCM-IH								
30	Dividends from ZCCM-IH Shares			-			-	ZCCM-IH	-
31	Price participation fees			-			-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale			-			-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer			-			-	ZCCM-IH	-
	Total payments	28,035,160.32	- 653,538.83	27,381,621.49	26,892,306.19	-	26,892,306.19		489,315.30

TAXPAYER NAME	LAFARGE CEMENT ZAMBIA PLC
TAXPAYER IDENTIFICATION NUMBER (TPIN)	110000030404
LICENCE NO/TYPE	8325-HQ-LML Large Scale Mining Licence 7359-HQ-SML Small Scale Mining License

MINERAL EXTRACTED	PRODUCTION
Grey Lime stone	1,389,633 Tonnes

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original	Adjust	Final	Original	Adjust	Final		
Ministry of Mines and Mineral Development									
1	Application Fees	-	-	-	-	-	-	MoMMD	-
2	Licence Fees	-	-	-	188.64	-	188.64	MoMMD	- 188.64
3	Area Charges	-	-	-	-	-	-	MoMMD	-
4	Valuation Fees	-	-	-	-	-	-	MoMMD	-
5	Annual Operating Permit	8,550.00	-	8,550.00	3,600.00	-	3,600.00	MoMMD	4,950.00
6	Environmental Protection Fund	497,210.35	17,988.53	515,198.88	515,198.88	-	515,198.88	MoMMD	-
7	Other fees & charges	-	-	-	612.00	-	612.00	MoMMD	- 612.00
Zambia Revenue Authority									
8	Pay- As-You-Earn	22,446,858.54	2,280,801.12	24,727,659.66	24,269,314.53	458,344.25	24,727,658.78	ZRA	0.88
9	Import VAT	-	-	-	-	-	-	ZRA	-
10	Mineral Royalty	798,241.74	-	798,241.74	186,404.00	611,837.04	798,241.04	ZRA	0.70
11	Company Income Tax (Inc. Provisional Tax)	27,772,586.45	16,232,948.81	44,005,535.26	44,532,053.42	611,837.04	43,920,216.38	ZRA	85,318.88
12	VAT (Net paid)	34,245,307.55	105,810.70	34,351,118.25	34,145,076.29	206,041.96	34,351,118.25	ZRA	-
13	Import/Customs Duty	-	-	-	-	-	-	ZRA	-
14	Withholding Taxes	14,666,053.52	-	14,666,053.52	14,891,573.29	-	14,891,573.29	ZRA	- 225,519.77
15	Excise Duty	-	-	-	-	-	-	ZRA	-
16	Property Transfer Tax	-	-	-	-	-	-	ZRA	-
17	Wind Fall Tax	-	-	-	-	-	-	ZRA	-
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	-	-	-	-	-	-	ZRA	-
20	Export Levy	-	-	-	-	-	-	ZRA	-
21	Other taxes (ZRA)	-	-	-	-	-	-	ZRA	-
Local Councils									
22	Annual Business Fees	8,143.90	-	8,143.90	-	-	-	LCouncil	8,143.90
23	Property Rates	2,038,064.98	-	2,038,064.98	2,022,105.88	-	2,022,105.88	LCouncil	15,959.10
Ministry of Lands									
24	Ground Rent	-	-	-	-	-	-	MoL	-
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	-	-	-	-	-	-	MoL	-
27	Preparation fees	-	-	-	-	-	-	MoL	-
Ministry of Finance									
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
ZCCM-IH									
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
Total payments		102,481,017.03	18,637,549.16	121,118,566.19	120,566,126.93	664,386.21	121,230,513.14		- 111,946.95

TAXPAYER NAME	ZCCM-IH	MINERAL EXTRACTED	PRODUCTION
TAXPAYER IDENTIFICATION NUMBER (TPIN)	1000000077106		
LICENCE NO/TYPE			

Tax	Tax name	Per Company			Per Government			Govt Agency	Final Diff.
		Original 1 Or CO	Adjust 2 Adj CO	Final 3 Final CO	Original 4 Or Gov	Adjust 5 Adj Gov	Final 6 Final Gov	7 Govt Agency	8 Diff.
Ministry of Mines and Mineral Development									
1	Application Fees	-	-	-	-	-	-	MoMMD	-
2	Licence Fees	-	-	-	360.00	-	360.00	MoMMD	- 360.00
3	Area Charges	-	-	-	12,910.86	-	12,910.86	MoMMD	- 12,910.86
4	Valuation Fees	-	-	-	333.00	-	333.00	MoMMD	- 333.00
5	Annual Operating Permit	-	-	-	-	-	-	MoMMD	-
6	Environmental Protection Fund	-	-	-	-	-	-	MoMMD	-
7	Other fees & charges	-	-	-	135.00	-	135.00	MoMMD	- 135.00
Zambia Revenue Authority									
8	Pay- As-You-Earn	5,512,891.36	-	5,512,891.36	5,086,109.56	-	5,086,109.56	ZRA	426,781.80
9	Import VAT	-	-	-	-	-	-	ZRA	-
10	Mineral Royalty	-	-	-	-	-	-	ZRA	-
11	Company Income Tax (Inc. Provisional Tax)	-	-	-	-	-	-	ZRA	-
12	VAT (Net paid)	-	-	-	-	-	-	ZRA	-
13	Import/Customs Duty	-	-	-	-	-	-	ZRA	-
14	Withholding Taxes	2,912,651.23	-	2,912,651.23	319,231.03	-	319,231.03	ZRA	2,593,420.20
15	Excise Duty	-	-	-	-	-	-	ZRA	-
16	Property Transfer Tax	-	-	-	121,151.34	-	121,151.34	ZRA	- 121,151.34
17	Wind Fall Tax	-	-	-	-	-	-	ZRA	-
18	Variable profit Tax	-	-	-	-	-	-	ZRA	-
19	Advance Income Tax	-	-	-	-	-	-	ZRA	-
20	Export Levy	-	-	-	-	-	-	ZRA	-
21	Other taxes (ZRA)	-	-	-	-	-	-	ZRA	-
Local Councils									
22	Annual Business Fees	300.00	-	300.00	-	300.00	300.00	LCouncil	-
23	Property Rates	13,422.01	-	13,422.01	14,268.02	-	14,268.02	LCouncil	- 846.01
Ministry of Lands									
24	Ground Rent	-	-	-	-	-	-	MoL	-
25	Consideration Fees	-	-	-	-	-	-	MoL	-
26	Registration Fees	-	-	-	-	-	-	MoL	-
27	Preparation fees	-	-	-	-	-	-	MoL	-
Ministry of Finance									
28	Dividends from Government Shares	-	-	-	-	-	-	MoF	-
29	Revenues from GRZ shareholding sale	-	-	-	-	-	-	MoF	-
ZCCM-IH									
30	Dividends from ZCCM-IH Shares	-	-	-	-	-	-	ZCCM-IH	-
31	Price participation fees	-	-	-	-	-	-	ZCCM-IH	-
32	Revenues from ZCCM-IH shareholding sale	-	-	-	-	-	-	ZCCM-IH	-
33	Revenues from ZCCM-IH mining rights transfer	-	-	-	-	-	-	ZCCM-IH	-
Total payments		8,439,264.60	-	8,439,264.60	5,554,498.81	300.00	5,554,798.81		2,884,465.80

Annex 9: Persons contacted or involved in the 2011 ZEITI reconciliation

Moore Stephens LLP

Tim Woodward	Partner
Ben Toorabally	Head of office MS IFI Maghreb
Elaine Henning	Head of office MS IFI Lusaka
Karim Lourimi	Team Leader
Skaneer Ayadi	Audit Senior
Elyes Kooli	Audit Senior
Richard Chayelega.	Audit Senior- MS IFI Lusaka

ZEITI Secretariat

Siforiano S. Banda	Head of the Secretariat
Kaonga Kay Mazaba	Project Administrative Officer
Ian Mwiinga	Communications Officer

Ministry of Mines and Minerals Development

Dickson Banda	Registrar of Mining Rights – Cadastre Department
Chipilauka Mukofu	Acting Director – Geological Survey Department

Zambia Revenue Authority

Joseph Nonde	Director - Mining Audit - Large Taxpayer Office
--------------	---

Ministry of Finance and National Planning

Kayula Chimfwembe	Assistant Director – Budget Office
-------------------	------------------------------------

ZCCM Investment Holdings Plc

Charles Mjumphi	Corporate Officer
-----------------	-------------------