

**GOVERNMENT OF ZAMBIA**

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STATUTORY INSTRUMENT NO. 41 OF 1993

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**The Privatisation Act**  
(Act No. 21 of 1992)

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**The Privatisation (Sale or Disposal of Property) Regulations,  
1993**

IN EXERCISE of the powers contained in section *forty-nine* of the Privatisation Act, 1992, the following Regulations are hereby made:

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| 1. These Regulations may be cited as the Privatisation (Sale or Disposal of Property) Regulations, 1993.  | Title                                       |
| 2. These Regulations apply to state owned enterprises scheduled for privatisation under the Act.  | Application                                 |
| 3. (1) No state owned enterprise shall sell or otherwise dispose of property of state owned enterprise without the prior approval, in writing, of the Agency.             | Restriction on sale or disposal of property |
| (2) The application for approval referred to in sub-regulation (1) shall be accompanied by—   |   |
| (a) a board resolution of the applicant, authorising the sale or disposal of the property;  |   |
| (b) a schedule containing a description of the property intended for sale or disposal;  |   |
| (c) a statement indicating the manner in which the property will be sold or otherwise disposed of; and  |   |
| (d) a statement showing that the property is—   |   |
| (i) redundant, excess or obsolete; and  |   |
| (ii) free, apart from these Regulations, from any prohibition or restriction on sale or disposal.   |   |
| 4. (1) The Agency shall process each application in the best interest of the state owned enterprise and on such terms and conditions as it thinks necessary or expedient. | Processing of applications                  |

(2) The decision of the Agency shall be communicated to the applicant not later than thirty days from date the application is received by the Agency.

(3) In granting an application for approval, the Agency shall in its absolute discretion satisfy itself that the sale or disposal of property is in the best interest of the applicant.

(4) The Agency may, in granting its approval, impose such terms and conditions as it may think fit and such conditions shall be binding on all persons.

Returns on  
sale of  
property

5. As soon as a sale is completed, a state owned enterprise shall file with the Director information on the following—

(a) the date of completion;

(b) the amount realised;

(c) the date of removal of the property from the company register; and

(d) any other information the Agency may request.

Sale of  
disposal of  
real property

6. Any sale or disposal of real property belonging to a state owned enterprise shall be conducted through a property management company, estate agent, auctioneer or such other class of persons the Agency may specify.

Restriction  
on lease of  
property

7. (1) No state owned enterprise shall lease property for a period exceeding one year without the prior approval, in writing, of the Agency.

(2) An application for approval shall be accompanied by—

(a) a schedule containing the description of the property intended for letting;

(b) evidence that the intended lease is in the best interest of the state owned enterprise;

(c) a resolution by the state owned enterprise authorising the leasing of the property;

(d) a statement giving reasons for the proposed leasing; and

(e) a draft lease agreement.

(3) This Regulation shall not apply to a state owned enterprise whose main business is the letting of property.

(4) The Agency may, in granting an approval under this Regulation, impose such terms and conditions as it thinks fit and such conditions shall be binding on all persons.

8. A state owned enterprise that signs an agreement for sale, disposal or letting of property after the coming into force of the Act but before the commencement of these Regulations shall communicate to the Agency the following information—

Lease  
information  
to be given  
to Agency

- (a) the parties;
- (b) the consideration;
- (c) the duration of the lease;
- (d) the date of expiration of the lease;
- (e) the nature of the transaction;
- (f) the reasons for the transaction;
- (g) the description of the property;
- (h) the effective date of the lease or date of sale of the property;  
and
- (i) any other information the Agency may request.

LUSAKA  
9th March, 1993  
[MCI.101/6/32]

R. D. S. PENZA,  
*Minister of Commerce, Trade  
and Industry*